CITY OF KEIZER MISSION STATEMENT

KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING BASIC CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION.

AGENDA

KEIZER CITY COUNCIL
Monday, June 17, 1991
7:30 p.m.
Keizer City Hall
Robert L. Simon Council Chambers

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC TESTIMONY - This time is provided for citizens to address the Council on matters not on the agenda.

4. COMMITTEE REPORTS

5. PUBLIC HEARINGS

   a. McNary Activity Center Plan (Public Hearing to be continued to July 1, 1991)

6. DISCUSSION - Periodic Review

7. DISCUSSION - Approval of proposal for Financial Auditing Services

8. DISCUSSION - Fernwood Park

9. DISCUSSION - Establishment of Police Advisory Committee

10. ORDINANCE - Systems Development Charge

11. CONSENT CALENDAR

    a. June 3, 1991 Regular Session Minutes

    b. Resolution - Authorization for Usage of Credit Cards in Municipal Court

    c. Set Special Meeting Date for Budget Adoption

    d. Approval of Computer System Upgrade Proposal

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

CITY COUNCIL MEETING: June 17, 1991

AGENDA ITEM NUMBER: 5a

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.PA,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: MCNARY ACTIVITY CENTER PLAN

DISCUSSION:

The public hearing on this Comprehensive Plan amendment opened on June 3, 1991. At tonight's meeting a presentation will be made of the Planning Commission's material and recommendations. The hearing will be continued until July 1, 1991 to allow the public and Council an opportunity to review the material in more detail.

The Planning Commission recommendation has four components, including:

- *The draft McNary Activity Center Plan*
- *The draft MU (Mixed Use) zone*
- *Draft revisions to the Comprehensive Plan*
- *Draft revisions to the AC (Activity Center) and other zones.*

These are briefly described below:

McNary Activity Center Plan

This Plan is proposed to be adopted as a detailed element of the Comprehensive Plan. The Plan has three purposes:

1. Implement the Comprehensive Plan;

design. The Activity Center Plan draft evolved into a statement of policy with the expectation that future developments will conform with these policies, providing design detail at that point.

The Comprehensive Plan amendments reflect this change in direction.

Zoning Ordinance Revisions

Several changes to the Zoning Ordinance are necessary to being it into alignment with the Activity Center Plan and the revisions to the Comprehensive Plan. Primarily these include revisions to the AC (Activity Center) Overlay Zone.

The changes to the AC overlay zone include the following major components:

1. Removal of provisions setting standards for the development of Activity Center Plans. (It is inappropriate for the zoning ordinance to set standards for the Comprehensive Plan. This approach is backwards. It is being reversed with these proposed changes.)

2. Designation of all uses as conditional uses.

3. Setting the requirements for conditional use applications, which include details and analysis of the proposal's conformance with the Activity Center Plan's policies.

3. Defining the standards by which proposed conditional uses are evaluated.

SUMMARY:

The Planning Commission's draft McNary Activity Center Plan, and associated documents, represents six months of intense work. All the property owners in the area have been kept informed of the progress and invited to participate in the process. Many have done so, as have many people living near the area.

The Plan results in a major restructuring of the City's approach to the Activity Centers. The approach is more logical and visionary. It removes many of the traditional constraints on development by setting expectations in advance. Because of this, developers within the Activity Centers will be able to create plans with an assurance that the major issues have already been resolved.

City of Keizer
930 Chemawa Rd. N.E. • P.O. Box 8900, Sp. 292
Keizer, Oregon 97303-0890 • (503) 390-3700

COUNCIL MEETING: NOVEMBER 21, 1988

AGENDA ITEM NO.: 6a

TO: MAYOR AND CITY COUNCIL

FROM: RP ROY PAYNE, CITY MANAGER

SUBJECT: PUBLIC HEARING - WATER SYSTEMS DEVELOPMENT CHARGE

ISSUE

Shall the City Council establish a System Development Charge to provide funds for required new capacity water facilities for the orderly growth of the Keizer Water distribution and supply system?

BACKGROUND

dated Feb 1988

In June, 1988, the City Council adopted the Water System Master Plan Update, prepared by H.G.E. Planners, for the City of Keizer. The Master Plan identified $7,264,000 worth of improvements that are needed in the areas of water supply, storage and distribution, to provide sufficient water for both existing and future development in the City of Keizer, through the year 2005. The report included a variety of funding proposals to accomplish the needed water system projects.

The Council appointed a committee, consisting of Mayor Simon, Councilor Bay, and Councilor Pritchard, to work with staff to develop the necessary financing elements to keep the water system fiscally sound and to pay for the required future expansion needs of the water system. The Council committee identified three (3) financial elements, as follows:

1. Service Fee Connections.
2. System Development Charges.
3. Water Rates.

On August 1, 1988, the City Council reviewed and accepted the following conclusions of the Council committee:

1. The Water Connection Charges should be increased to more closely provide for actual cost of installation of water connections by the City.

2. PROJECTS TO BE FUNDED BY A SYSTEM DEVELOPMENT CHARGE. These are projects which are required to provide additional capacity in the water system to accommodate new growth, but are not directly attributable to any specific project. These projects are identified as project numbers 2, 5, 13, 14, and 17 on the proposed Capitol Improvement Program list. Estimated cost $1,585,000.

SDC basis

3. PROJECTS TO BE FUNDED BY DEVELOPER FINANCING AND/OR PROPERTY OWNER FINANCING. These are projects which require the extension of water mains to serve new development and includes sizing the water main, according to the Water Master Plan requirements. These are projects that are only needed to serve new development as it occurs. The projects are identified as project numbers 3, 4, 6, 7, 8, 9, 10, 12, and 15. Estimated cost $2,069,000.

This allocation of the required Capitol Improvement Program needs of the City results in a Capitol Improvement Financing Program, as follows:

WATER MASTER PLAN CAPITOL IMPROVEMENT FINANCING PROGRAM

1. Water rate increases at eight percent (8%) per year for at least the next five (5) years.

2. System Development Charge of $300 per 3/4 inch water meter equivalent. Ninety percent (90%) of the System Development Charge to be applied to new production water wells and ten percent (10%) of the System Development Charge to be applied to reimbursement to developers for water main line over-sizing projects.

3. Any expansion of the water system to serve new development will be paid for from up-front developer or property owner financing. The City will not have any funds available to pay for these water line extensions.

The proposed $300 per water meter equivalent System Development Charge is a significant decrease from the $800 System Development Charge recommended by the Water Master Plan Study. The charge is also significantly below the charge assessed by other jurisdictions in the area. Staff was able to accomplish this System Development Charge reduction by shifting the cost responsibility for water main extensions to serve new development to the developer and/or

TABLE 9-1

PROPOSED CAPITAL IMPROVEMENT PROGRAM

PHASE I (TO 1995)

PROJECT NO.	DESCRIPTION	ESTIMATED COST*	COMMENTS
1. RATE PAYERS	30,000 Ft. of 6" to 12" line located throughout the City.	$1,000,000**	Replacement of steel waterlines approaching end of design life. Installed by City crews.
2. SYSTEMS DEVELOPMENT	Increase capacity of Delta Well No. 8 to 2,500 gpm. Install standby power.	$ 125,000	Additional capacity required for growth in northern area.
3. NEW DEVELOPMENT	700 Ft. of 8" line along Windsor Island Road.	$ 32,000	Close loop to Koala street.
4. NEW DEVELOPMENT	3,900 Ft. of 14" line looping Wheatland Rd. and River Rd. South to Delta Well No. 8.	$ 234,000	Improve distribution system fire flow.
5. SYSTEMS DEVELOPMENT	New production well northeastern area, vicinity of Tepper Lane. Install with standby power.	$ 400,000	Possible participation by developer. Connect to northern section of 14 inch loop in Project No. 10.
6. NEW DEVELOPMENT	1,550 Ft. of 12" line along River Road North.	$ 80,000	Possible participation by developer.
7. NEW DEVELOPMENT	5,300 Ft. of 14" line along Wheatland Road	$ 317,000	Possible participation by developer.

TABLE 9-2

PROPOSED CAPITAL IMPROVEMENT PROGRAM

PHASE II (BEYOND 1995)

PROJECT NO.	DESCRIPTION	ESTIMATED COST*	COMMENTS
12. NEW DEVELOPMENT	4,000 Ft. of 12" line along O'Neill Road and 2,300 Ft. of 14" line along Clear Lake Road.	$ 345,000	Possible participation by developer.
13. N/A	New 2.0 mg ground storage reservoir, northern area, vicinity of Wheatland Rd. and Oakwood St. Install with 600 and 1,200 gpm booster pumps.	$ 900,000	Connect to 14" line in Project No. 4.
13a. SYSTEMS DEVELOPMENT	New production well with standby generation in vicinity of Wheatland Rd. and Oakwood St.	$ 400,000	Alternate source in place of reservoir and booster pumps in Project No. 13.
14. ~~SYSTEMS DEVELOPMENT~~ N/A	New 1.0 mg ground storage reservoir, northeastern area, vicinity of Radiant Dr. Install with 600 and 1,200 gpm booster pumps.	$ 600,000	Possible participation by developer.
14a. SYSTEMS DEVELOPMENT	New production well with standby generation in vicinity of Radiant Dr.	$ 400,000	Alternate source in place of reservoir and booster pumps in Project No. 14.

TABLE 9-3

PROPOSED CAPITAL IMPROVEMENT PROGRAM

PHASE III (BEYOND 2000)

PROJECT NO.	DESCRIPTION	ESTIMATED COST*	COMMENTS
17. SYSTEMS DEVELOPMENT	5,000 Ft. of 12" line connecting Pump Station No. 7 with new 1.0 MG reservoir in Project No.14.	$ 260,000	Enhances distribution of water from Pump Station No. 7 into system.
18. RATE PAYERS	38,000 Ft. of 6" to 12" line located throughout City.	$1,250,000**	Replacement of steel waterlines approaching end of design life. Installed by City crews.
	TOTAL PHASE III	$1,510,000	

*Includes 30% for Engineering/Administration/Contingency - 1987 Dollars

**Construction Costs Only For Project No. 18.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91-_____

ESTABLISHING THE SYSTEM DEVELOPMENT CHARGE IMPROVEMENT FEE FOR THE KEIZER WATER SUPPLY, TREATMENT AND DISTRIBUTION SYSTEM

WHEREAS, the City has adopted an ordinance imposing a Keizer water supply, treatment and distribution system development charge and has adopted a resolution establishing the methodology for determining the system development charge improvement fee; now, therefore,

BE IT RESOLVED by the City Council of the City of Keizer that based upon adopted methodology, the system development charge improvement fee for the Keizer water supply, treatment and distribution system shall be determined by a meter equivalency index as follows:

Size of Meter	GPM	Meter Equivalent	Development Charge
5/8" to 3/4"	20	1	$ 300
1"	50	2.5	750
1-1/4"	70	3.5	1,050
1-1/2"	100	5.0	1,500
2"	160	8.0	2,400
3"	320	16.0	4,800
4"	500	25.0	7,500
6"	1,000	50.0	15,000
8"	1,600	80.0	24,000
10"	2,300	115.0	34,500
Larger than 10"			To be determined by negotiation

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BE IT FURTHER RESOLVED by the City Council of the City of Keizer that this resolution shall be effective July 1, 1991.

PASSED this __________ day of __________________, 1991.

SIGNED this __________ day of __________________, 1991.

____
Mayor

____
City Recorder

2706COK.005

PROJECT NO.	DESCRIPTION	ESTIMATED COST*	COMMENTS
15. NEW DEVELOPMENT	6,500 Ft. lf 12" line in western area to loop in area east of Windsor Island Road.	$ 338,000	Possible participation by developer.
16. RATE PAYERS	38,000 Ft. of 6" to 12" line located throughout the City.	$1,250,000**	Replacement of steel waterlines approaching end of design life. Installed by City crews.
	TOTAL PHASE II (Including Project No. 13 and 14)	$3,433,000	
	TOTAL PHASE II (Including Project No. 13a and 14a)	$2,733,000	

* Includes 30% for Engineering/Administration/Contingency - 1987 Dollars

** Construction Costs Only for Project No. 16.

PROJECT NO.	DESCRIPTION	ESTIMATED COST*	COMMENTS
8. NEW DEVELOPMENT	2,650 Ft. of 14" line through industrial area, Rock Ledge Drive to River Road.	$ 160,000	Possible participation by developer.
9. NEW DEVELOPMENT	1,800 Ft. of 12" line, northeastern area of City to loop Rock Ledge Drive with Tepper Land.	$ 95,000	Possible participation by developer.
10. NEW DEVELOPMENT	7,800 Ft. of 14" line looping industrial-commercial area northeast section of City.	$ 468,000	Possible participation by developer. Northern section must be built in connection with Project No. 5. Remaining portion of loop can be built as needed.
11. RATE PAYERS	Install fluoridation to remaining 6 wells in system.	$ 110,000	
	TOTAL PHASE I	$3,021,000	

* Includes 30% for Engineering/Administration/Contingency - 1987 Dollars

** Construction Costs Only for Project No. 1

property owner. Developers and property owners will be reimbursed by the City for the cost of over-sizing any water main they are required to construct. Funds to pay the developer reimbursement will be collected through the System Development Charge and distributed back to developers and property owners on an annual basis, based upon a pro-rata reimbursement formula.

RECOMMENDATION

City Council to consider public testimony on the proposed Water System Development Charge Ordinance, close the public hearing, and consider adoption of the Ordinance. Discussion on adoption of the Ordinance is scheduled as a separate agenda item on tonight's agenda.

RP:clm

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2. A System Development Charge needs to be implemented by the City Council to pay for new development so that existing rate payers will not be supporting new development through water rates.

3. An eight percent (8%) annual water rate increase will be required for at least the next five (5) years to pay for existing operations and maintenance, economic depreciation and debt service requirements of the existing water system.

Based upon those conclusions, the City Council adopted an Ordinance establishing new Service Connection Fees, adopted the five (5) year Water Rate Projection Plan (as a guideline for future budgeting purposes and rate increases), and directed staff to develop the System Development Charge Ordinance and set a public hearing, prior to final adoption by the City Council.

ANALYSIS

Staff has met with the Council subcommittee and representatives of the Salem Homebuilders Association to discuss the proposed System Development Charge in greater detail. As a result of those meetings, staff has prepared an Ordinance which will meet the objectives of the Water System Master Plan, the conclusions of the adopted Council committee report on Water System Financing, and is acceptable to the development community.

The Water System Master Plan identifies eighteen (18) Capitol Improvement Projects which are required over the next twenty (20) years. As stated previously, the total estimated cost of those projects is $7,264,000. A list of the proposed Capitol Improvement Projects is attached for the Council's information. Staff took those eighteen Capitol Improvement Projects and divided them into three (3) categories, as follows:

1. PROJECTS WHICH SHOULD BE FUNDED BY THE EXISTING RATE PAYERS FROM WATER RATES. These are projects which require the replacement of old, deteriorating steel water lines, throughout the City, which serve the existing water users. It also includes the project to fluoridate the remaining six (6) wells in the water system. These projects are identified as project numbers 1, 11, 16, and 18 on the attached Capitol Improvement Program list. Estimated cost $3,610,000.

RECOMMENDATION:

The Council receive the Planning Commission's recommendations and hold the public hearing over until July 1, 1991.

2. Define the Community's vision of what the McNary Activity Center will be like when developed; and

3. Set the Community's expectations of how it is to develop so the vision is achieved.

To carry out these purposes the Plan goes through an analysis of identified issues concerning the Activity Center. This analysis is found in the appendix of the Plan. The analysis results in planned actions concerning each of the issues. These actions may be either specific actions the City will take now, or may be policies to guide future activity.

The "heart" of the plan are the 16 policies. These define the Community's expectation of how the area will develop. The basic thrust of the policies is to see the Activity Center develops as one integrated neighborhood and has minimal impact on the surrounding area.

The Plan also contains two maps: Planned Land Use, and Zoning. The first is the detailed Comprehensive Plan map for this area. The second represents the zoning for the property that will be implemented with the Activity Center Plan's adoption.

Mixed Use Zone

The Activity Center Plan recommends the use of a new Mixed Use Zone. This zone is intended to encourage a mixture of residential and light commercial uses in an integrated, pedestrian-friendly atmosphere.

Comprehensive Plan Revisions

The current Comprehensive Plan calls for the creation of activity center plans with a great deal of detail. It anticipates activity center plans will be being prepared when there is a specific development being planned and when there is basically one developer. Therefore, the degree of detail required is in keeping with the needs of the development process.

However, the practicality of this approach was quickly questioned during the development of the McNary Activity Center Plan. In this case there are no less than 28 different properties in the study area and no detailed development plans under consideration. The Planning Commission found it was much more appropriate and realistic to set general rather than specific direction, and to deal with questions of theme and character rather than detailed

12. OTHER BUSINESS - This time is provided to allow Council members the opportunity to bring matters before the Council which are not on tonight's agenda.

13. WRITTEN COMMUNICATIONS - To inform the Council of significant written communications and petitions.

14. AGENDA INPUT - July 1, 1991

    * Public Hearing - McNary Activity Center Plan

15. ADJOURN

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MINUTES

KEIZER CITY COUNCIL
Monday, June 3, 1991
Robert L. Simon Council Chambers
Keizer City Hall

CALL TO ORDER

Mayor Orcutt called the regular session to order at 7:31 p.m. Roll call was taken as follows:

Present
Andrew J. Orcutt, Mayor
Mike Hart, Councilor
Dennis Koho, Councilor
Jerry McGee, Councilor
Al Miller, Councilor
Bob Newton, Councilor
Joe Van Meter, Councilor

Staff
Don Otterman, City Manager
John Morgan, Community Development Director
Kevin Wickman, Parks Director
Chuck Stull, Police Chief
John Lien, City Attorney
Shannon Johnson, City Attorney
Sue Darby, City Recorder

PUBLIC TESTIMONY

Marion Drake, a resident on Cummings Lane, indicated that she held a meeting at City Hall recently. Prior to holding the meeting, she contacted Chris to see about how to gain access to the building. After being put on hold for a couple of lengthy periods, Ms. Drake indicated that she was told to come into City Hall to pick up a key. She subsequently picked up the key from someone by the name of Sue, although she could not recall the last name. Ms. Drake expressed concern with the fact that she was not asked to sign a form or to make a key deposit. She apparently was trusted to return the key on her own. Ms. Drake stated that she eventually gave the key to Councilor McGee, and that he gave her a receipt for the key. Ms. Drake indicated that City Hall should have a policy to insure better security of City Hall, perhaps by charging

Ken Sherman, Jr., Attorney representing the Staats' family, 687 Court Street, Salem, indicated that he will not be making any substantive comments tonight. He believed this would be premature until the Planning Commission completes its review of the plan. Mr. Sherman suggested that the City Council postpone its review until the first meeting in July. This will give all parties the opportunity to have plenty of time to review the plan prior to the public hearing. Mr. Sherman added that the Staats are as anxious as anyone to bring this matter to a close, but they feel it is preferable to have the extra time to review the written materials.

Marion Drake, a resident on Cummings Lane, asked for three specific considerations:

1. That the wildlife in the vicinity of the lake be preserved
2. That public foot access to the lake be provided
3. That as large an area as legally possible for park purposes be provided within the development.

Responding to a question from an unidentified gentleman in the audience, Mayor Orcutt stated that the Planning Commission had hoped to complete its review of the plan prior to tonight's City Council meeting. However, it now appears that it will not be completed until June 12 and, therefore, the public hearing will be held open until after that date. Mayor Orcutt also explained that Staats Lake is within the McNary Activity Center. The plan encompasses a larger area than just the lake.

Responding to a question from Councilor Newton, Mr. Morgan stated that the Planning Commission is prepared to wrap up its review of the plan at its June 12 meeting. Staff is concerned, however, that the written material may not be available prior to the City Council's June 17 meeting. He explained that the City has worked with urgency

Councilor Miller said he would distribute. Councilor Miller stated that Mr. Blitz was going to review the cases and supply Councilor Miller with additional legal precedents. He contacted Mr. Blitz on Friday, and they discussed three areas in the policies and procedures that need to be thoroughly researched because of the possibility of substantial liability to the City. Mr. Blitz indicated that the City would need to authorize him to conduct that research. Councilor Miller said that he was unsure whether the City of Keizer might incur additional liability with simply changing the policies and procedures. He questioned whether there may be certain rights reserved by the employees under those policies and procedures. Councilor Miller indicated that Mr. Blitz would be the attorney who would represent the City on behalf of the insurance company and that this is the reason he sought Mr. Blitz' advice. Councilor Miller said that Mr. Blitz authorized Councilor Miller to say, on his behalf, that he would recommend against making any changes until he has had a chance to research similar cases.

Councilor Hart questioned why Councilor Miller was making contact with the City's legal counsel within the day-to-day scope of the operation of the City. He noted that this is a responsibility for the City Manager. Councilor Miller responded that he had asked Mr. Lien for some authority on this subject because Councilor Miller was concerned about the City's liability. Mr. Lien had cited a 1972 case which Councilor Miller believed may not be a valid basis upon which to proceed. Councilor Miller said he and Councilor McGee attended an LGPI seminar. In that seminar he learned that employees' status cannot be changed. Mr. Lien cited a 1972 case, and Councilor Miller thought there were additional authorities which Mr. Lien did not cite. Councilor Miller said he questioned Mr. Lien at the meeting but Mayor Orcutt indicated he would rely on Mr. Lien's opinion. It was Mr. Blitz who said he would get back to Councilor Miller on his question regarding additional legal authority. Councilor Miller said that the only reason he contacted Mr. Blitz on Friday was because Mr.

contract, then the question is moot at least in that respect. If the Council agrees that future department heads should be covered under contract, then he can get started on putting the contract together. In the meantime, the situation with the existing department heads can be worked out.

Mayor Orcutt indicated that it appears one of the major stumbling blocks is if the City Manager fires a department head without cause. He believed a contract including severance pay would resolve that problem.

Councilor Miller indicated that he has no problem in doing this with future hires, however, he questioned whether the current department heads could be forced into such a contract. He indicated he does not wish to proceed without the advice of Mr. Blitz.

Mayor Orcutt noted that the conversation had turned to future department heads and that his comment was intended for new hires only.

Councilor Koho stated that whatever the Council does regarding at-will employment of department heads, the final resolution may not come for one, two or ten years down the road. He brought up the matter of allowances for personal vehicle use for City business, noting that some things are best in written form rather than leaving them unwritten.
Councilor Miller said that it was his understanding that the City Council voted at its May 6 meeting to make department heads either at-will or contract employees. Mr. Otterman stated that there was not any wording in the personnel policies outlining the status of department heads. Councilor Miller asked whether the Council didn't vote six to one to make department heads contract employees. Mr. Otterman explained that this is why the issue is coming back before the Council - to amend the personnel policies to recognize that change.

Mayor Orcutt indicated that he brought this back to the Council because of the issue of

Some of the items to be considered might include the body responsible for supervision of the City Recorder's position, a determination on what the City Council can and cannot say in regards to employees of the city, along with other things. He indicated that it may not be necessary to change the charge of the committee from the one established in 1983 but that the Council may want to review it. He suggested that if changes are recommended by the committee, that an election be held during a regularly scheduled major election. In order to meet the November election, it would be necessary to have this information put together by August which may be impossible. The next deadline after that would be March for the May 1992 election. He also suggested looking at the ward system.

Councilor McGee moved to request the Mayor to establish an ad-hoc Charter Review Committee not to exceed seven members. Councilor Koho seconded the motion.

Councilor Koho asked that the Mayor consult with the Council when appointing individuals to the committee.

Councilor Newton indicated that the charge to the former Charter Review Committee would be a good charge for the new committee.

Responding to a question from Councilor Hart, Mr. Lien stated that the old ordinance was for a standing committee rather than an ad-hoc committee. The ad-hoc committee would be for a specific project on a one-shot deal. He stated that with the ordinance in place, it would not make a difference if the Council appointed members now or four years from now.

Councilor McGee said that the charge would be tied to a vote only if there is such a recommendation from the committee to do so. He believed that the Charter would stand for many years, as it has in the past.

Councilor Newton agreed, but added that the committee should be charged with completing its at creative alternatives.

Mr. Morgan noted that it may be only the Library Alternatives goal which would require hiring of consultant. For the most part, many of the goals do not involve substantial amounts of General Fund monies with the exception of the Library goal.

Councilor McGee indicated that Councilor Van Meter's motion was to adopt the strategies in principle and concept. To do so would give staff time to modify and make improvements to the strategies. Councilor Van Meter indicated that this was the intent of his motion.

Councilor Miller complimented Mr. Morgan for the amount of work put into the goal strategies. He agreed with the concept and principle of the plan, without authorizing any expenditures at this point in time.

Councilor Hart indicated that he would support the motion, and that he appreciates the work done to develop the plan.

<u>The motion passed unanimously, as follows:</u>

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

Mr. Otterman stated that all of the department heads worked to put the strategies together. Mr. Morgan, because of his access to the computer program, put the strategies into this format.

PERSONNEL POLICIES

Mr. Otterman stated that an amendment to the personnel policies is being made at the suggestion of Councilor Koho who submitted wording for adoption of an ordinance regarding the use of city equipment. Mr. Otterman noted that the personnel policies were adopted by motion rather than by ordinance and, therefore, without changing any of Councilor Koho's wording, the format of the amendment was changed to that of the personnel policies. The change proposed would involve a new section being added to the

Changes to the May 6 minutes were made as follows:

Page 4, third paragraph, insert "Newton."
Page 4, eighth paragraph, insert "Van Meter."
Page 10, Change the sentence, "The Motion died" to "The motion failed."
Page 12, Show the vote taken as follows:
  AYES: Orcutt, Hart, Koho, McGee, Newton, Van Meter (6)
  NAYS: Miller (1)
Page 14, show the Councilor who seconded the motion as Newton.
Page 18, Correct the vote taken from "unanimously" to "AYES: Hart, Koho, Miller, Newton, Van Meter; NAYS: Orcutt, McGee"
Page 22, seventh paragraph, insert "Koho."
Page 23, second paragraph, insert "Koho."
Page 23, fourth paragraph, change wording to read, "A councilor questioned..."
Page 23, sixth paragraph, change wording to read, "A councilor questioned..."

It was also noted that changes were made to the May 6 minutes during the May 20, 1991 meeting as follows:

Page 15, the correct vote taken.
Page 19, include the omitted motion.

Councilor Koho moved for approval of the May 6, 1991 minutes as corrected. Councilor Van Meter seconded the motion. The motion passed as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

The May 28, 1991 minutes were corrected as follows:

Page 2, first paragraph, insert the name "Van Meter" in the blank space.

resulting from this use will not be any worse than when the canneries are in operation, and will allow the treatment plant full utilization at its maximum capacity. Mr. Otterman expressed a concern about the trucking of the waste across Keizer streets and the impact that will have. Mr. Eide indicated that he would pass the word along to the Public Works Department to include Keizer in the traffic study to be conducted.

Councilor McGee commented that Salem owns a small island within the city limits of Keizer, but that Salem does not own the regional treatment plant.

Councilor Koho suggested the possibility of Keizer prohibiting the trucking of such materials through Keizer.

Personnel Policies Amendment

Councilor Miller wished to clarify his vote in opposition to the resolution regarding use of city equipment. He stated that while he supports the wording in the resolution, he opposed it as a change to the personnel policies at this point. He said his vote was based on the potential legal ramifications.

WRITTEN COMMUNICATIONS

Turner Complaint

Mayor Orcutt indicated that he received a letter from Mr. Turner regarding the change from green street signs to blue street signs. He said he contacted Mr. Turner and discussed the situation with him.

AGENDA INPUT

Systems Development Charges

Mr. Morgan indicated that he would place on the next Council agenda an ordinance to amend the existing systems development charges ordinance in order to bring Keizer into conformance with State law.

Audit Proposals

Mr. Otterman stated that on June 17 staff will present to the Council for approval the award of contract for auditors. He noted that four firms responded to the request for proposals.

Budget Committee Meeting Set

Mr. Otterman said that a Budget Committee meeting has been set for June 10 at 7 p.m. to discuss the urban renewal budget. Once the Budget Committee reviews the budget, it will be forwarded to the City Council for adoption at the end of June.

EXECUTIVE SESSION	The Council met pursuant to the provisions of ORS 192.660(1)(f), Exempt Public Records.
ADJOURNMENT	Following the close of the Executive Session, the Council adjourned the meeting.

Respectfully submitted,

Susan Darby, City Recorder

APPROVED:

MAYOR

Councilor Hart moved for approval of items (b) and (c) on the Consent Calendar. Councilor Newton seconded the motion. The motion passed by the following vote:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

OTHER BUSINESS

City Recorder Position Supervision

Mr. Otterman indicated that Councilor Koho and Mr. Lien jointly prepared the resolution regarding the City Manager's authority to supervise the City Recorder's position.

Councilor Van Meter moved for passage of a resolution delegating authority to the City Manager for the supervision of the City Recorder. Councilor Koho seconded the motion.

Councilor Koho questioned whether it is legal to pass this resolution since it was not listed as an agenda item. Mr. Lien indicated that he believed the Council could do so under Other Business.

The motion passed as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

Fernwood Park Legal Expenses

Councilor Van Meter asked about the budget for the Parks Committee as it relates to an expenditure for Fernwood Park legal services. Mr. Otterman explained that the expenditure was incorrectly applied to the parks budget. That has since been rectified.

Willow Lake Treatment Plant

Councilor McGee expressed outrage at the City of Salem negotiating on the sewer treatment plant area of influence with Keizer, and now reading in the newspaper that Salem plans to haul 4,200 tons of manure into the plant for treatment. Mr. Otterman explained that he discussed this with Salem City Manager Gary Eide. Mr. Eide said that Salem has been talking about this proposal which was suggested by the grass seed growers. Mr. Eide assured Mr. Otterman that the odors policies.

<u>Councilor Koho moved to amend the personnel policies by adopting the amendment regarding use of city equipment. Councilor McGee seconded the motion.</u>

Councilor Koho noted that the word "unless" needs to be inserted between the words "vehicles," and "specifically."

Councilor Miller expressed reservations over amending the personnel policies in this manner based on a conversation he had with Mr. Blitz. This is a proposed change which could result in disciplinary action. He questioned whether the change needs to be made with the consent of the employees. In the meantime, he suggested the City Manager issue a policy indicating that any violation of the policy would be a violation of the personnel policies and procedures.

Councilor McGee indicated he would support this position. He noted that there are some things for which no policy is needed; which common sense and decency tell you not to do. He cited examples of using city equipment for personal use and sleeping while on the job.

Mr. Otterman said that if he issues an administrative policy, a violation of that policy would be deemed a violation of the personnel policies subject to disciplinary action.

Councilor Koho disagreed indicated that Councilor Miller's argument would only fool an attorney.

<u>The motion passed by the following vote:</u>

AYES: Orcutt, Koho, Hart, McGee, Newton, Van Meter (6)
NAYS: Miller (1)

CONSENT CALENDAR

Items on the Consent Calendar consisted of:

- May 6, 1991 Regular Session Minutes
- May 20, 1991 Regular Session Minutes
- May 28, 1991 Regular Session Minutes

recommendation by a date certain to tie in with an election date.

Councilor Van Meter commented that the City has a short history and that the issues that have been dealt with recently can be dealt with within the scope of the existing Charter. He believed that having different citizens involved on the Charter Review Committee now is poor timing considering the missions of the other committees now in progress.

The motion passed by the following vote:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton (6)
NAYS: Van Meter (1)

GOAL STRATEGIES

Mr. Morgan outlined the strategies for accomplishing the 1991-92 goals as adopted by the City Council.

In response to a question from Councilor Miller, Mr. Morgan indicated that one strategy involves the possibility of hiring an outside consultant. That strategy, exploring alternative library services, may involve a consultant cost estimated in the range of $3,000 to $5,000, however, no funding has been identified for accomplishing the strategies at this point. He recommended the strategies be amended and/or adopted which would allow staff to develop its own in-house work program on the goals.

Councilor Van Meter moved to adopt the goal strategy plan as outlined. Councilor Newton seconded the motion.

Councilor Koho indicated that there are some changes he would like to see, such as moving Regional Issues ahead on the list. He suggested that some progress may be made now that there has been a change of councils and commissions and that there has, in the past, perhaps been some staff level problems. He stressed that in supporting the adoption of the strategies, he is not endorsing the hiring of a consultant at this point. Councilor Koho suggested the Council look considering the severance pay provisions. Councilor McGee indicated that if Mayor Orcutt wished to reconsider an item, there should be a motion for reconsideration.

Councilor Koho moved to amend the personnel policies with the language suggested by Don Otterman with one exception to change the word "who's" to "whose" in the first line, and to make that definition of department head applicable to those hired on or after July 1, 1991. Councilor McGee seconded the motion.

Councilor Newton indicated that he would support the motion but not the sample Salem contract. Councilor Koho agreed with this comment.

The motion passed by the following vote:

AYES: Hart, Koho, McGee, Miller, Newton,
Van Meter (6)
NAYS: Orcutt (1)

Mayor Orcutt asked the City Manager to get together with Mr. Lien and Mr. Blitz to discuss the legal problems. He asked the Council members to discuss any of their concerns with Mr. Otterman.

CHARTER REVIEW COMMITTEE

Mr. Otterman reviewed the staff report regarding reinstituting the Charter Review Committee to review possible changes to the City's Charter. He noted that the former standing committee was abolished in 1988 by ordinance 88-118. In correspondence to the members at that time, former Mayor Simon indicated that if the need arises for the committee, it could be reinstituted on an ad-hoc basis. Therefore, the City Council should determine if there is a need for the committee and, if so, whether the Council wishes to form a formal standing committee or an ad-hoc committee and decide how the members will be appointed.

Councilor Koho indicated a need to form the committee with the involvement of the citizens. He suggested a committee comprised of five or seven members on an ad-hoc basis be created.

Blitz had not gotten back to him and that Councilor Miller knew this issue was coming up on the Monday night agenda. He said he did not want to do anything in haste and end up sorry down the road. Mr. Lien stated that he spoke with Councilor Miller and Mr. Blitz after the last meeting.

Councilor Newton indicated that he would be interested in developing contracts with the department heads and adopting some type of boiler plate agreement. At this stage, if the City Council agrees with the contract arrangement, the City Manager needs to get with legal counsel to make sure the City is on solid ground. He questioned whether the Salem agreement has all of the components of the necessary agreement for Keizer. He asked for a copy of the City Manager's employment agreement for comparison.

Councilor McGee said that if the Council makes the decision to go with contracts for department heads, he would vote for it. It would be up to the City Manager to further research the question, although he believed that Councilor Miller's research has helped out. Councilor McGee stated that the City Manager's recommendation was for a standard employment agreement, however, he has problems with the sample agreement in the packet.

Councilor Koho indicated that he would agree to the language included in the City Manager's memorandum for department heads hired after July 1, 1991 to be placed under contract. There are still several questions to be resolved, including whether the current department heads are interested in contracts. He would not favor the Council granting open-ended authority for Mr. Blitz to conduct legal research into the matter.

Responding to a question from Councilor Hart, Mr. Otterman indicated that the question of whether contracts could apply to existing department heads or only to future department heads should first be answered. He asked for a copy of Councilor Miller's legal research. If existing department heads cannot be covered under on this issue primarily at the request of the Staats.

Councilor Koho cited the need to have time to review the written materials prior to holding the public hearing. For this reason, he preferred to delay the public hearing until the Council's July meeting.

Councilor Miller agreed, adding that he would prefer to have staff still attempt to get the written material out to the Council by June 17 so that there will be sufficient time to review the information prior to the hearing. Mr. Morgan stated that staff could make its presentation on June 17 and then schedule the continued public hearing for the first meeting in July.

Mayor Orcutt indicated that testimony, if any, will be accepted at the City Council's June 17 meeting. The public hearing will be held open for the first Council meeting in July.

In response to a question from Councilor McGee, Mr. Morgan stated that staff will have the written materials prepared and 200 copies printed and available for the public.

DEPARTMENT HEAD CONTRACTS

Mr. Otterman outlined the staff report regarding the status of department heads and whether the Council wishes to place these employees under contracts. He indicated that it would be possible to develop a boiler plate contract and then fine tune the individual specifications for each department head. Mr. Otterman noted that Salem has contracts for its department heads, and a copy of the standard contract is enclosed in the agenda packets for the Council's information. He asked whether the Council does, in fact, wish to place department heads under contract and, if so, whether the Salem contract is similar to what the Council wishes to see in the contracts.

Councilor Miller stated that after the last meeting, he delivered to Mr. Blitz and Mr. Lien a legal memorandum which he had prepared, along with copies of case law. Four of the Council members have yet to receive that memorandum which a key deposit of $50 to $75 which would probably be the cost to replace the lock on the door. She stated that Salem has such a deposit requirement.

PRESENTATION

Optimist Club Award

Chief Stull gave a brief background on the history of the Keizer Optimist Club, and stated that Officer Brian Hunter is the recipient of the Optimist Club's respect for law award. Officer Hunter has been with the Keizer Police Department for four years, coming up through the Reserve program. He graduated in 1987 from the Police Academy in Monmouth and has been active in the D.A.R.E. program. Jan Wright, president of the Keizer Optimist Club, presented Officer Hunter with the award.

Officer Hunter stated that he has invested a lot of time into the D.A.R.E. program, and this week 80 students will graduate. Mayor Orcutt congratulated Officer Hunter.

Award to Keizer Rotary

Mayor Orcutt presented a community service award to Wes Craven, president of the Keizer Rotary, for the Rotary's involvement in the improvement of Keizer's parks by donating picnic tables.

Award to Archie Gallihugh

Mayor Orcutt also presented a community service award to Archie Gallihugh who has been instrumental in making Keizer parks safer and more enjoyable.

Mayor Orcutt noted that Keizer's parks, under Parks Director Kevin Wickman and the Keizer Parks Advisory Committee, are looking better and better.

PUBLIC HEARING - MCNARY ACTIVITY CENTER

Mayor Orcutt opened the public hearing to consider the draft McNary Activity Center Plan.

Mr. Morgan stated that the Planning Commission has not yet completed its review of this document, and has asked that the City Council hold its public hearing open until the June 17, 1991 meeting. Mr. Morgan noted that the Commission anticipates completion of its review on June 12 and that staff will then prepare the materials and have them to the Council by June 17.

PUBLIC REVIEW DRAFT

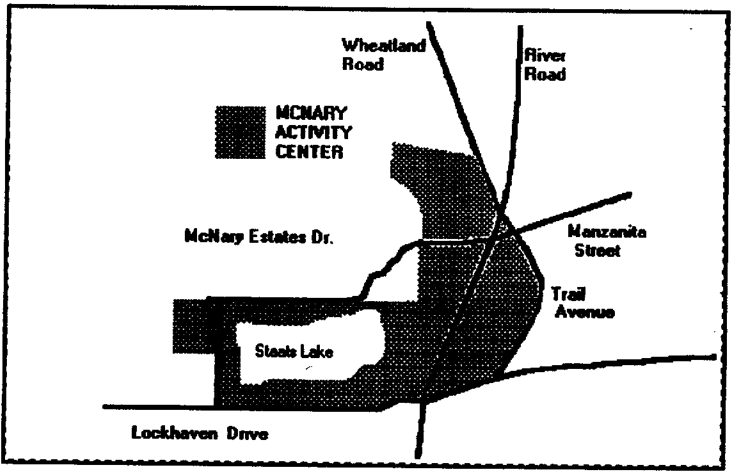
McNary Activity Center Design Plan

1982 City of Keizer

JUNE 17, 1991

INTRODUCTION

The McNary Activity Center is an extremely important part of the Community. It is broadly recognized as the "key" to the creation of a new community focal point in the northern part of Keizer. While the character of the southern part of Keizer, which is generally the area south of Lockhaven, was set in place many years ago, the northern area is yet to develop.



Extensive single-family residential growth in this area, which has been going in earnest for only a few years and which will be extensive over the next decade, is creating pressure for business development and opportunities for alternative housing styles. The City recognized this in the Comprehensive Plan where policy is set prohibiting "strip-commercial" development north of Lockhaven.

More importantly, the Comprehensive Plan creates the McNary Activity Center, recognizing the unique role of this largely vacant land in becoming the "hub" of activity for the surrounding neighborhoods and in defining the character of a large portion of Keizer.

The Community has a large stake in the quality of development in the Activity Center. Rather than perpetuating the negative elements of strip commercial development, the Community wants to see this area provide needed commercial services, but in a manner that minimizes all types of impacts and is a general enhancement. It wishes to see housing created that serves a broad array of needs, and that is efficiently designed and located. It also recognizes Staats Lake, while privately owned, as a community asset which should be developed in a manner that provides the public an opportunity to enjoy its open space and scenic value.

THE COMPREHENSIVE PLAN

The Keizer Comprehensive Plan, as adopted in 1987, identifies several objectives for the McNary Activity Center:

1. *Primary uses are retail-office center, public park and open space lands including the 50-acre lake, medium and high density residential.*
2. *The McNary Golf Course, lake, public open spaces, and Claggett Creek corridor for public access and enjoyment.*
3. *Encourage mixed use developments and multi-use structures.*
4. *Within the district, pedestrian circulation and access should be emphasized.*
5. *Provide for adequate off-street parking and loading, and public transportation facilities.*

The Keizer Comprehensive Plan, as adopted in 1987, also includes policies for retail-office centers included in objective 1 above.

1. *Allowed uses are department stores, offices, other retail facilities, and medium and high density housing.*
2. *A retail-office center should:*
   - a. *Be from 20 to 50 acres in size.*
   - b. *Have direct access from one or more arterial streets.*
   - c. *Be centrally located to existing and future residential neighborhoods.*
   - d. *Provide facilities and services to Keizer as a primary market.*
   - e. *Not encourage traffic through residential neighborhoods.*
3. *A retail-office center will be located west of N. River Road and north of Olson Street at the McNary Activity Center.*

This Activity Center Plan is intended and designed to conform with and implement these policies.

THE PLAN

Planning Area

The Comprehensive Plan identifies the area within the McNary Activity Center. These lands, when the Plan was adopted in 1987, were those that raised the greatest concerns about their future development.

With the development of this McNary Activity Center Plan, the detailed planning process has identified three areas where the boundary of the Activity Center is adjusted with the adoption of this Plan. In one case, property is removed and in the others it is added. These adjustments reflect the needs for detailed planning in each of the areas. The analysis leading to each change is included in the appendix to this Plan.

The first is the triangle between Wheatland Road and River Road. As significant redevelopment of the property is unlikely, it is removed from the McNary Activity Center .

The second area is the south portion of the land lying between River Road and Trail Avenue. Continued single family development patterns of this area are not realistic in the long run since the properties are surrounding on all sides by more intense development. This Plan concludes, given the long-term likelihood this area will change to a higher-intensity use, it is best to guide its redevelopment along with the balance of the Activity Center. Therefore, it is included within the area.

The third area is Keizer School and the parcel to its immediate north. The vacant parcel is part of the Staats Lake property and should be part of the overall comprehensive planning for the area. The School influences and in turn is influenced by the future of the Activity Center. It also has a major impact on McClure Street. Therefore the school and the vacant parcel are included.

Land Use

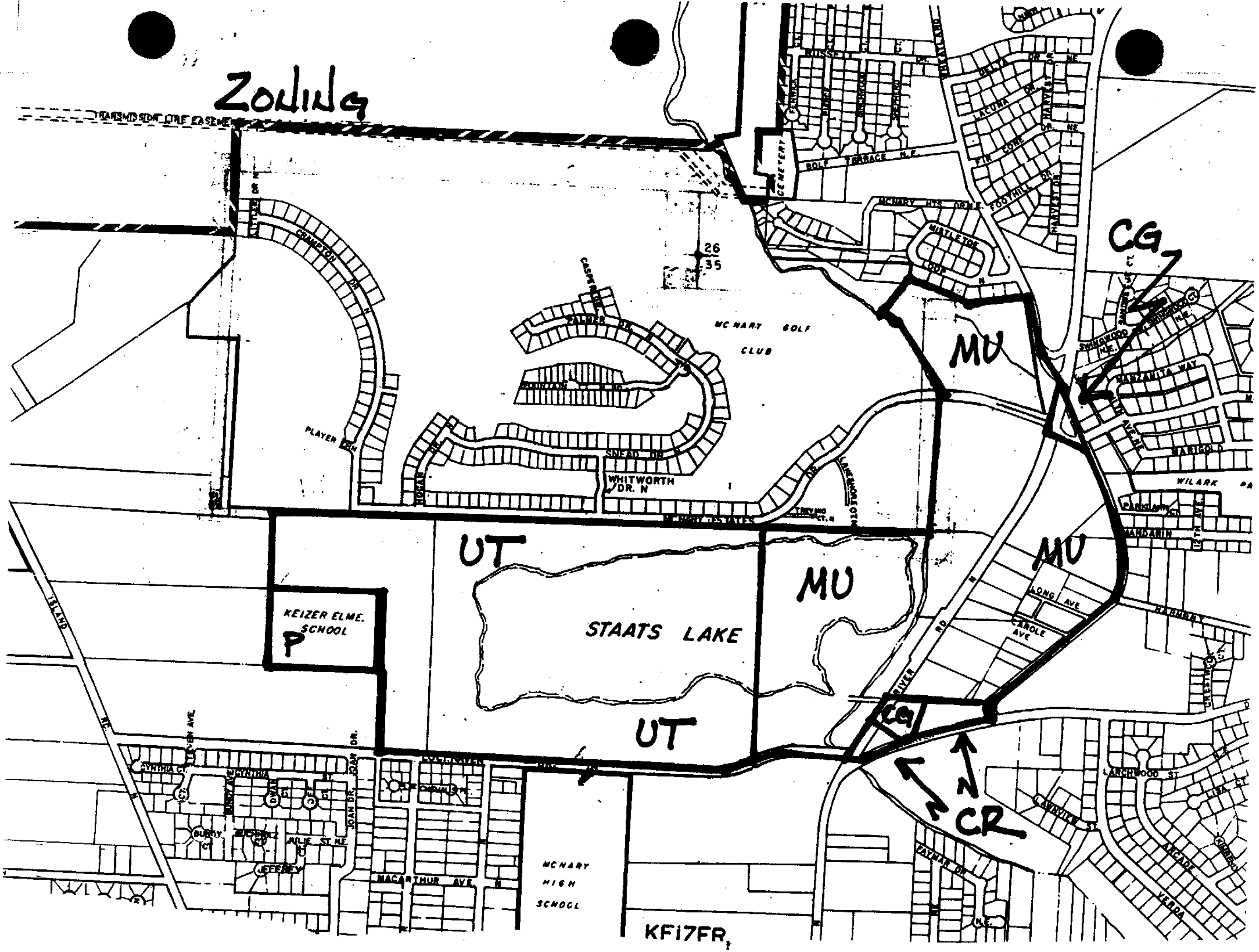
Land Use Maps

The Comprehensive Plan Map shows the Plan designations for the Activity Center. The Zoning Map shows the zoning for the properties. In all cases the zoning is the same as the Comprehensive Plan designation except for the residential portions of the Staats Lake property where the Plan designation is Medium Density Residential and the zoning is RM (Multi-Family Residential). While the RM zone may generally allow housing at lesser or greater densities than the Medium Density standard of six to 10 dwelling units per acre, the Comprehensive Plan will prevail in this area.

McNary/Courthouse Area

Action

This Plan adopts the use of a new mixed-use zone. Since much of the concepts set in the Comprehensive Plan for the McNary Activity Center call for the creation of a mixed-use center developed in a planned manner, a special zone that accommodates and encourages this type of development will be most appropriate. It also will probably be the easiest to understand and administer over time.


ZONING
TRANSMISSION LINE EASEMENT
CEMETERY
BOLF TERRACE N.E.
MCNARY HTS. DR. N.E.
FOOTHILL DR.
HARVEST DR.
FIR CONE DR. NE
ACUNA DR.
DELTA DR. NE
RUSSET
FENWICK
WHEATLAND
MISTLETOE LOOP N
CG
SWINGWOOD N.E.
MANZANITA WAY
MARIGOLD
WILARK
PARKLAND CT.
MANDARIN
12TH AVE.
26
35
CASPER
PALMER DR.
MCNARY GOLF CLUB
MU
CRAMPTON DR N
PLAYER
SNEAD DR
WHITWORTH DR. N
HOGAN
MCNARY ESTATES
TREVINO CT. N
LAKESHORE CT N
UT
MU
STAATS LAKE
KEIZER ELME. SCHOOL
P
MU
LONG AVE
CAROLE AVE
RIVER RD N
CG
CR
ISLAND RD. N
STEVEN AVE.
CYNTHIA CT.
BUDDY AVE
DWAN CT.
JULIE ST NE
JEFFERY
BURRY CT.
JOAN DR.
MACARTHUR AVE. N
MCNARY HIGH SCHOOL
LARCHWOOD ST
LAWNVIEW ST.
PAYMAR DR.
ARCADE
VERDA
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4. *There shall be a maximum density of 8 dwelling units per acre for all housing east of McClure Street abutting the northern property line of the Staats property between the western property line and the point where McNary Estates Drive turns to the northeast.*

Commercial Development - Actions

The mixed-use zone will be applied to the commercial area.

Access and Circulation

Relationship between McNary Area and Staats Property

The Comprehensive Plan calls for a link between the McNary Area and the Staats Property. Due to both manmade and natural constraints, this link is not practical. The McClure extension at the west end of the property will tie these areas together.

Action

The eastern link between the properties will not be required.

Internal Circulation within Staats Property

In order to develop the property in a fully integrated manner, as a true and healthy neighborhood, internal vehicle access is necessary from one end of the property to the other.

Policy

1. *Land around Staats Lake shall be served with a public or private street system that allows vehicle access to all parts of the property without having to use Lockhaven Drive or North River Road.*

Access to Arterial and Collector System

The Activity Center is intended to develop to fairly high urban densities of both residential and commercial use. This pattern will generate a substantial amount of traffic impacting both Lockhaven Drive and River Road. It is critical this traffic be effectively managed by minimizing the number of access points to the arterials and providing guidelines for their proper placement.

As this new diverse neighborhood develops, provisions must be made to encourage pedestrian circulation between the various component areas. This will help minimize unnecessary automobile use and provide a convenient and attractive alternative for the residents.

Policies

1. *Vehicle access points shall be minimized with a minimum spacing standard of 400 feet apart along an arterial street and 200 feet apart along a collector street. Access points across a street from each other shall either line up or meet these separation requirements.*

has occurred in the northwest corner of the City without any park land being developed. Luckily, this is an area where a great deal of open space has and will be preserved, including McNary Golf Course and Staats Lake. However, there are no areas of developed park land with park amenities such as picnic areas, grassy lawns, play equipment, and sport courts. This is a need that the Comprehensive Plan envisions being met north of Keizer School.

The Claggett Creek corridor at the east end of the Staats Lake property is undevelopable. It is a designated wetland and floodplain. It also is a valuable asset to the community. It provides a wildlife habitat and greenway and is a continuation of the greenway to the south. It needs to be preserved.

Action

Two acres of park land adjacent to the northern boundary of Keizer School will be acquired as part of the development of the Staats Lake property.

As the Claggett Creek corridor is not developable and is of little value to the development, and as it is desirable to be developed and preserved as a wetland and wildlife habitat, the corridor is planned to be put in public ownership.

Policies

1. *The Claggett Creek corridor, consisting of the wetlands and floodplain area, shall be retained as a natural, greenway corridor protecting its vegetation and wildlife habitat.*

2. *A new public park will be developed immediately north of Keizer School. This park will be approximately two acres in size and will be configured so it can contain at least two tennis courts and ancillary picnic areas and open space. The City and School District will work to develop this site, and the athletic fields, playground, and open space west of Keizer School, as a neighborhood park.*

Environmental

The future of the migratory geese population is a major concern of the community. There is a fear that with development of the Activity Center, especially lands around the water features, the geese will no longer find the area an attractive habitat.

The Claggett Creek Corridor is an important wetland. It provides habitat for a variety of types of wildlife and supports a broad array of riparian vegetation. Development adjacent to this area must be particularly sensitive to its fragile nature.

Policies

1. *The City of Keizer, the Oregon Department of Fish and Wildlife, and the developer shall reach agreement on a plan to maximize retention of geese and other wildlife as part of any development proposal where there are wildlife impacts.*

2. *The owners of properties within the activity center shall comply with all applicable laws and regulations pertaining to wetlands and floodplains.*

option, exclude from the PUD that portion of the Staats Lake property west of McClure Street. In in the event said property is excluded, development on that property will not be counted towards the calculation of average density figures.

APPENDIX

BACKGROUND

The Keizer Comprehensive Plan identifies the McNary Activity Center as a special district where extraordinary development opportunities and constraints requiring more detailed planning. Table 1 summarizes the existing land uses within the Activity Center.

TABLE 1
EXISTING LAND USES

Land Use	Acres	%
Single Family/Farm	22.9	10.4
Multi Family	2.0	0.9
Commercial	13.8	6.3
Public	10.0	4.6
Right-of-Way	4.3	2.0
TOTAL DEVELOPED	53.0	24.2
Vacant	159.7	72.7
Lake & Floodplain	(74.1)	33.8
Reclamation Area	6.8	3.1
VACANT BUILDABLE	92.4	75.8
TOTAL AREA	219.5	100.0

Source: Spencer & Kupper, 1991

ISSUES

There are many issues surrounding the development of the McNary Activity Center. This master plan will address each and set policy on how the community expects them to be dealt with. The results are reflected in policy and mapping in this master plan.

Four major issue areas have been identified. These include:

Land Use,
Parks and Recreation,

appropriate. It also will probably be the easiest to understand and administer over time.

Property Between McNary Restaurant and Staats Lake

Issues

This land is zoned UT (Urban Transition) and is designated for low density residential use on the Comprehensive Plan which reflects current use. Currently there is a house, barn, and other outbuildings on the property.

The property raises up from both River Road and McNary Estates Drive to the area where the buildings are located. From there it slopes steeply to the west down to Claggett Creek. The only developable portion of the property is on the top of the hill.

Use of this property is restricted by its physical relationship to the surrounding area. The buildable land is essentially limited to a "knoll."

The property has frontage on both River Road and McNary Estates Drive. At this point, River Road has a five lane section, including the left turn lane accessing McNary Estates Drive. The Drive has two lanes except at the intersection where a left turn lane is provided. Direct access to River Road would be a significant concern due to sight distance problems and turning movement conflicts. Access to McNary Estates Drive would present fewer problems. However, the fact McNary Estates Drive is private may limits its capability to be used.

Alternatives

It is probably not practical to anticipate use of the land for a retail or other type of use that is dependant on its frontage for visibility or ease of access. As well, it is probably not in the City's best interest to zone this property for single family use as its potential for more intensive uses is significant.

Multi-family housing could be well placed on the property, using the west facing slope to site the homes so they face the lake. Parking along the eastern portion of the property would work well with a driveway to McNary Estates Drive.

In a similar manner, offices could be placed on the property again sited to take advantage of the view.

Action

Use of the property for either or both multi-family and office development is recommended. It might be best to encourage a mixture of both uses on the property.

A new mixed use zone, as described above, is adopted. This will encourage both multi-family and office development of the property.

Land between Wheatland Road and River Road

Issues

Most of this land has been developed for many years. The "point" where Wheatland and River Roads meet is occupied by an old convenience market now occupied by the video store. To the north the area is

This includes the residential subdivisions to the east.

There has been a great deal of community concern, as reflected in the Comprehensive Plan, about a potential extension of strip commercial activity north from Lockhaven Drive. The area of concern encompasses these properties. Any development should be of a nature to minimize any strip commercial character.

Traffic generated by a new development on the vacant property will impact River Road. The degree of impact will depend on the nature of the use. Most CR uses could be expected to have significant impact. This traffic will need to be managed in such as way as to adequately service the site while minimizing congestion and safety problems.

Redevelopment of the CG properties will create impacts on residential lands to the east across Trail Avenue. The "heavy" commercial nature of the CG zone means a broad variety of commercial uses could be located on these sites bringing aesthetic, character, and traffic impacts on surrounding residential areas.

Alternatives

The current zoning could be maintained for the properties. At the same time the area could be removed from the activity center. This action would not address the concerns expressed above.

The properties could all be rezoned to the proposed mixed use zone. This will take advantage of the well defined boundaries of the area and allow the creation of a "node" of urban-density activity. This action will make CG Long Building Supply nonconforming.

Special development policies could be adopted for this area covering landscaping, access, setbacks, etc. These also could cover use and building design. These could be adopted as policies or incorporated into an overlay zone.

The CG area could be rezoned to CR in order to help minimize future impacts on surrounding residential areas. This will make CG Long Building Supply nonconforming.

The residential area can remain and redevelop in accordance with the Low Density Residential designation. However, continued single family development patterns of this area are not realistic in the long run since the properties are surrounding on all sides by more intense development. This Plan concludes, given the long-term likelihood this area will change to a higher-intensity use, it is best to rezone it now to the Mixed Use zone and guide its redevelopment along with the balance of the Activity Center.

The CR and CG zoned areas at the far northern and southern ends of the subject area could retain their zoning with the balance of the property being designated for Mixed Use.

Actions

The entirety of the area is to be rezoned to the Mixed Use zone with the exception of the parcel north of Manzanita which will remain in the Commercial General zone, and the properties fronting Lockhaven which will retain their Commercial Retail and Commercial General zones.

Staats Lake Property

Residential Development - Issues

Residential Development - Actions

A minimum density standard of 6 dwelling units per acre is adopted for the property. This conforms with the intent of the Comprehensive Plan.

A policy is adopted limiting development along the northern shore of the lake, and the extension of that area to the east property line, to single family or townhouse developments. Townhouses should not exceed 8 dwelling units per acre and should be similar in style and layout to those found within McNary Estates.

As specific development plans are considered, density can be transferred on a one for one basis from the residential area to the mixed-use area, as long as the density of the residential area does not drop below five dwelling units per acre.

Commercial Development - Issues

Commercial activity has generally been anticipated at the southeast corner of the property occupying an area of 10 to 15 acres. This provides the best visibility from both River Road and Lockhaven Drive.

The type of commercial development is important to the character of the Activity Center. The intent of the Comprehensive Plan is to assure development of a strip commercial nature not extend into this area. This means careful control of access, signage, landscaping, setbacks, etc.

The Staats Corporation's stated intention for the commercial area on this land is for a shopping "plaza" or "district" of a distinct character oriented to the lake. Examples may include River Place in Portland or Sunrise Village in Sunriver. In these developments the character is oriented to pedestrian access, outdoor activities, minimal emphasis on automobiles, extensive landscaping, and a consistant design theme. The uses are typically specialty stores and restaurants.

It is very desirable to integrate residential use into the commercial area. Apartments over commercial uses or in seperate buildings will help meet housing targets, provide a highly desirable type of housing, provide a steady market for the commercial activities, and provide a degree of security on a 24 hour basis.

Commercial Development - Alternatives

Use of the CR zone will provide for commercial development of the property.

Use of a new mixed-use zone that encourages a mix of commercial and residential uses, and that sets strict design guidelines, would provide for the commercial use while also directly working to meet the intent of the Comprehensive Plan.

Commercial Development - Actions

The mixed-use zone will be applied to the commercial area.

PARKS AND RECREATION

Public Relationship to Staats Lake

Issues

The public has a great stake in this lake. For many years it has be regarded as an asset with a certain

The Comprehensive Plan indicates a future park site in the area north of Keizer School. However, it notes this is subject to future study.

The Comprehensive Plan sets a standard of 5-20 acres for a neighborhood park. It calls for neighborhood parks to be located adjacent to elementary school sites. Keizer School currently has approximately three acres in outdoor recreational space west of the school.

According to the City Parks Superintendent, and based on local studies, there is a significant need to develop more park land in Keizer. The primary need is for neighborhood parks providing active recreational facilities and areas.

Residents of McNary Estates have been assessed $100 per house to be used for park development in the area. The Staats property has the same obligation to pay this fee in cash or in land. The site north of Keizer School is ideal to meet the need for park development as it will have direct access from McNary Estates and the future Staats residential areas.

Any land taken for park development reduces the developable land on the property. However, the quality of the project will be greatly enhanced by open space development.

The Claggett Creek corridor at the east end of the Staats Corporation property is undevelopable. It is a designated wetland and floodplain. It also is a valuable asset to the community. It provides a wildlife habitat and greenway and is a continuation of the greenway to the south. It needs to be preserved.

Alternatives

Developing a water oriented park on the east end of the Staats Lake is an alternative. However, such a park will use valuable development land, and would create a potential management and liability problem due to the proximity and use of the lake. Also, without a direct street connection to McNary Estates Drive, such a park would be inconvenient to residents of McNary Estates.

Development of the Claggett Creek wetland in lieu of the west-end park is another alternative. This alternative is not acceptable, however, as the wetland cannot be developed into a normal neighborhood park.

Meeting the park need somewhere adjacent to Keizer school can be accomplished by using either the property north of the school, which is part of the Staats property, or using the land to the west of the school. The land to the north is preferable for several reasons. First, it has direct access to McClure, a designated collector street. Use of the other property would require users to go through the school property to access it. Second, it is better situated to share parking with the school. Third, it is closer to the school so there is greater convenience as well as better security. Fourth, it has only grass on it while the other property is a filbert orchard. Development of the western property would require the removal of the trees as they are not desirable for park use.

Using approximately two acres north of the school, in concert with the school grounds, will provide a neighborhood park of approximately five acres. This option provides for the minimum need of the area while minimizing impacts on the developable property. It can use the existing school parking and will complement the school facilities.

Action

Two acres of park land adjacent to the northern boundary of Keizer School will be acquired as part of the development of the Staats Lake property.

property will be developed as a planned development, a narrow private street, without right-of-way, can be successfully integrated.

Without an internal street, residents of the western portion of the project will be forced to leave the development using McClure and Lockhaven to re-enter the commercial portion of the development. This movement pattern will be damaging to the viability of the area for three reasons.

> First, there is a great deal of congestion and inconvenience that can be expected from this pattern. Forcing residents to make turns onto Lockhaven and River Road, both of which are heavily traveled, will discourage the neighborhood integration of the area, will endanger the residents, and will contribute to the congestion on the arterials.
>
> Second, this pattern will also discourage residents of the project from patronizing the businesses. Since these businesses are not excepted to be heavily auto-oriented, they will rely heavily on the neighborhood residents as their customers. The viability of this commercial center will partially depend on the ease of accessibility from within the neighborhood.
>
> Third, the development of the Staats Lake area will be a neighborhood of mixed housing styles. The vitality and vibrancy of this new neighborhood is dependent on the inter-relationships of its members, regardless of housing style, or income level. Pedestrian, bicycle, and automobile movement throughout the area will enhance its success as a neighborhood.

Alternatives

An internal street can be required meeting a standard of being able to access any portion of the development without leaving the development.

No provision can be set requiring a continuous internal street.

Action

A design standard is set requiring the capability to travel by automobile from any part of the new neighborhood to another without using Lockhaven Drive or River Road.

Access to Arterial and Collector System

Issues

Preliminary development proposals for the Staats Lake area show 1 external point of access to McClure Street, 3 to Lockhaven Drive, and 1 to River Road. Questions have risen about the desirability and necessity to have 3 accesses to Lockhaven. Also, questions have risen about the desirability and necessity to have an access to River Road.

The 3 accesses to Lockhaven each serve a different type of land use. They are approximately 800 feet apart with the most eastern located approximately 500 feet from the intersection with River Road.

The only standard for intersection spacing in the urban area is to be found in the Salem Transportation Plan which requires intersections with an arterial to be at least 400 feet apart.

The River Road driveway is proposed approximately 800 feet north of the Lockhaven Drive intersection. This access will replace the existing River Road driveway which is approximately 300 feet from the intersection.

Land between River Road and Trail Avenue

Issues

As this area develops, access points to River Road and development of traffic control measures will be major considerations.

Alternatives

The existing code provisions can be retained and utilized.

Policies can be set for access control.

A traffic impact analysis and mitigating measures, as discussed above, can be required for major developments in this area.

Actions

A policy is established requiring access points to River Road to be spaced at intervals of at least 400 feet with no more than one per property. Access points will be minimized by requiring combined access where possible. They must line up with existing streets or driveways on the opposite site of the street, or meet these separation standards. Safe sight-distance must be assured for each driveway.

A traffic impact analysis should be required. However, it should be as required by an ordinance requiring such studies of all major development throughout the City.

ENVIRONMENTAL

Issues

The future of the migratory geese population has been raised as a major concern of people in the surrounding area. There is a fear that with development of the property the geese will no longer find it an attractive habitat.

Alternatives

It possibly could be assumed development of the property will not discourage geese use of the lake. In fact the use may increase due to an increased supply of food from good-hearted residents.

Specific management and development standards could be included in the plan addressing the preservation of habitat and appropriate development patterns that will minimize disruption to the geese.

The Plan can require the preparation of a management plan by a qualified scientist to be funded by the developer at the time of development. This plan would make recommendations on preservation of habitat and minimizing impacts.

Action

The developer will be responsible at the time of development for seeing a plan is agreed upon that

MIXED USE - MU ZONE

XX.00 PURPOSE. The Mixed Use (MU) zone promotes development that combines commercial and residential uses in a single building or complex. This zone allow increased development on busier streets without fostering a strip commercial appearance. The zone encourages the formation of neighborhood "nodes" of activity where residential and commercial uses mix in a harmonious manner. This development type will support transit use, provide a buffer between busy streets and residential neighborhoods, and provide new housing opportunities in the City. The emphasis of the nonresidential uses is primarily on locally-oriented retail, service, and office uses. Commercial development will consist primarily of businesses on the ground floor with housing on upper stories. Clusters of residential and commercial uses around landscaping features or parking areas will also occur. Development is intended to be pedestrian-oriented with buildings close to and oriented to the sidewalk. Parking may be shared between residential and commercial uses.

XX.01 USES.

(1) The following uses, when developed under the applicable development standards in the Zoning Ordinance, are permitted in the MU zone:

(a) One or more buildings with one or more dwelling units or guest rooms on a lot.

(b) One or more buildings with one or more dwelling units or guest rooms and one or more other uses allowed in this section on a lot.

(c) The following commercial uses are allowed only on properties with at least one acre of land:

(i) Communication (48) BUT EXCLUDING communication services, not elsewhere classified (489).

(ii) Variety stores provided all display is within a building and further provided the gross floor area shall not exceed 10,000 square feet (533).

(iii) Food stores provided all display is within a building and further provided the gross floor area shall not exceed 10,000 square feet (54).

(iv) Apparel and accessory stores and further provided the gross floor area shall not exceed 10,000 square feet (56).

(v) Home furnishing and equipment stores, miscellaneous, provided all display is within a building and further provided the gross floor area shall not exceed 10,000

exterminating services (7342).
(xxxviii) Watch, clock and jewelry repair (763).
(xxxix) Floating structures that contain uses permitted in this zone.
(xl) Home Occupations (12.20)
(xli) Art Galleries and frame shops.
(xlii) Recreational or athletic clubs.

(2) Use restrictions. No use permitted under subsection (1) of this section shall in any way involve any of the following:

(a) Farm Use.
(b) The rendering, processing, or cleaning of animals, fish, seafoods, fowl, poultry, fruits, vegetables, or dairy products for wholesale use.
(c) Any outdoor display or storage of merchandise or materials.

(3) Location in the building. In a building containing both residential and commercial uses, no dwelling units are allowed on the ground floor.

(4) Floor Area Ratio. In a single development no more than 50 percent of the floor area shall be in non-residential use.

XX.10 DEVELOPMENT STANDARDS. The stands ards and regulations in this chapter; and the additional standards and regulations referenced in Chapters 17 to 20 apply to all lots, structures and uses unless indicated otherwise. No structure or use shall be approved until all requirements in the chapter have been satisfied.

The provisions of this chapter are complementary and supplementary to other provisions of this ordinance. in the event of a conflict between a provision of this chapter and a more restrictive provision of this ordinance applicable to a particular lot, structure or use, the more restrictive provision shall apply.

XX11. HEIGHT. Within a MU zone:

(1) Exclusively single family and duplex structures shall not exceed 35 feet in height.

(2) All other buildings shall not exceed 50 feet in height.

(3) Structures exempt from height requirements listed in Chapter 17 and structures with special height requirements in Chapter 20.

XX.12 LOT AREA AND DIMENSIONS. Within a MU zone:

(1) Lot Area, single family dwellings and duplexes. The minimum lot area for a single family dwelling is 4,000 square feet, provided a single family

(1) Five feet for any portion of a building not more than 15 feet in height; and

(2) Ten feet for any portion of a building over 15 feet in height.

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, where a rear lot line is the boundary of an alley, a building or structure may be built with walls on the property line.

(4) Notwithstanding the provisions of subsections (1), (2), and (3), of this section, where a building is divided into more than one ownership, such as with row houses, and each ownership includes an individual lot, there shall be no side yard required except at the ends of the building.

(5) Setbacks for accessory structures shall be the same as for primary buildings under this section, except that setbacks for accessory structures serving dwelling units shall be as provided in chapter 20.

XX.20 LANDSCAPING. Within a MU zone:

(1) All portions of required yards lying between a street or roadway and the structure or between the street or roadway and any sight-obscuring fence or hedge located within the required yard shall be landscaped.

(2) Landscaping shall be provided in any yard adjacent to a residential zone and in any required front or side yard.

(3) A landscaped area at least 5 feet side shall be provided between any parking or loading spaces or driveway, and street or a lot in a residential zone.

(4) All parking areas shall include 200 square feet of interior landscaping for every 5 parking spaces or portion thereof. This landscaping is to be located within the outside boundary of the parking lot. The landscaping shall be distributed in a relatively equal manner throughout the parking lot. This landscaping is in addition to that provided in required yards.

(5) All required landscaped areas shall be landscaped as provided in Chapter 18.

XX.25 STORAGE. Within a MU zone, outdoor storage of materials and equipment is prohibited except in conjunction with a residential uses where the storage shall be screen from view from the street and adjacent properties by a sight-obscuring fence, wall, or hedge.

XX.35 REFERENCE TO ADDITIONAL STANDARDS. Additional use and development standards may be found in the following chapter:

ADDITIONAL AMENDMENTS

Revise Section 4.02 to read as follows:

4.02 COMPREHENSIVE PLAN DESIGNATION AND ZONE CLASSIFICATIONS. Zone classifications implement the Comprehensive Plan designations. Following are the zones allowed in each Comprehensive Plan designation.

Comprehensive Plan Designation	Zone Classification
Low Density Residential (LDR)	RS, UT
Medium Density Residential (MDR)	RL, RM, UT, MU
Medium and High Density Residential (MHDR)	RL, RM, RH, UT, MU
Mixed Use (MU)	MU
Commercial (C)	CO, CR, CG, UT, MU
General Industrial (GI)	IG, UT
Campus Light Industrial (CLI)	IP, UT
Special Policy Area (SPA)	EFU, UT
Civic (CI)	P
Schools (ES, MS, HS)	P, UT
Park (P)	P, UT

Add a new section 19.065 as follows:

19.065 JOINT USE OF PARKING AREAS IN A MU (MIXED USE) ZONE. The Hearings Officer as part of a conditional use or zone change process may allow joint use of parking areas between residential and commercial uses in accordance with the following standards.

(a) The required parking will be the parking required by this chapter for the use with the largest parking requirement, provided, however, the amount of parking shall be no less than that required for the use with the smallest requirement plus 25 percent additional parking.

(b) All jointly used spaces shall be located with relation to all uses relying on such spaces within the applicable distance set forth in Section 19.02.

(c) The Hearings Officer must find that there is no substantial conflict in the principal operating hours of the buildings or uses for which joint use of off-street parking facilities is proposed.

(d) A properly drawn legal instrument executed by the parties concerned for joint use of off-street parking facilities, approved as to form and manner of execution by Legal Counsel, shall be filed with the City Recorder. Joint use parking privilege shall continue in effect only so long as such an instrument, binding on all parties, remains in force. If such instrument becomes legally ineffective, then parking shall be provided as otherwise required in this ordinance within 60 days.

h. Activity Centers

1. Designate Activity Center overlay districts for:

   (a) McNary Activity Center
   (b) Chemawa Activity Center

   The purpose of the activity center overlay is to encourage a mix of intensive land uses emphasizing transit and pedestrian activity, and to allow flexibility of development regulations.

2. Require that a design plans for each activity center ~~are~~ is prepared and approved before specific development applications in the particular activity centers are approved. The land use designations shown on Figure 2, and on the zoning map before a design plan is adopted, are generalized and will be refined during the development of activity center design plans. Transfer of development rights within activity centers are allowed, and encourage the use of planned developments. Activity center ~~D~~design plans will be prepared for entire activity centers, not individual parcels or for individual projects, however, developers ~~may~~ shall be required to submit master plans for individual parcels or projects.

3. Assume a leadership role in preparing activity center design plans. The planning process should involve property owners, interested developers, residents, and other affected jurisdictions. Once an activity center design plan is prepared, adopt it as a part of the Comprehensive Plan.

4. Require that activity center design plans include at a minimum:

   (a) ~~Market feasibility, phasing, and marketing plan for anticipated uses.~~ The activity center design plan shall provide for a coordinated approach to area planning and development and shall provide policies and other standards for development within the activity center.

   (b) ~~Development~~ The activity center design plan ~~showing location and amount of~~ shall show the general proportion of land uses, location of major public facilities, location of parks, open space, public lands and other public uses ~~, phasing plan~~. It is anticipated that the land use designations and zoning shown in the Comprehensive Plan and on the Zoning Map will be used as a general guide only, and the activity

(m) Street tree and median landscaping and development; and
(n) Open space, pedestrian plazas.

~~5.~~ 7. Establish the following objectives for the McNary Activity Center.

(a) Primary uses are retail-office center, public park and open space lands including the 50-acre lake, medium and high density residential.

(b) If possible, ~~Integrate~~ integrate the McNary Golf Course, lake, public open spaces, civic center, and Claggett Creek corridor for public access and enjoyment.

(c) Encourage mixed use developments and multi-use structures. Within the district, pedestrian circulation and access should be emphasized.

(d) Provide for adequate off-street parking and loading, and public transportation facilities.

~~6.~~ 8. Establish the following objectives for the Chemawa Activity Center:

(a) The primary uses are regional service center, light industry, hotel/motel and supporting facilities, convention facilities, and retail shopping facilities.

(b) Improve access to the district and Lockhaven Drive. Coordinate transportation improvements with the industrial district to the north.

h. Activity Centers

1. Designate Activity Center overlay districts for:

   (a) McNary Activity Center
   (b) Chemawa Activity Center

   The purpose of the activity center overlay is to encourage a mix of intensive land uses emphasizing transit and pedestrian activity, and to allow flexibility of development regulations.

2. Require that a design plan for each activity center is prepared and approved <u>before</u> specific development applications in the particular activity centers are approved. The land use designations shown on Figure 2, and on the zoning map before a design plan is adopted, are generalized and will be refined during the development of activity center design plans. Transfer of development rights within activity centers are allowed, and encourage the use of planned developments. Activity center design plans will be prepared for entire activity centers, not individual parcels or for individual projects, however, developers shall be required to submit master plans for individual parcels or projects.

3. Assume a leadership role in preparing activity center design plans. The planning process should involve property owners, interested developers, residents, and other affected jurisdictions. Once an activity center design plan is prepared, adopt it as a part of the Comprehensive Plan.

4. Require that activity center design plans include at a minimum:

   (a) The activity center design plan shall provide for a coordinated approach to area planning and development and shall provide policies and other standards for development within the activity center.

   (b) The activity center design plan shall show the general proportion of land uses, location of major public facilities, location of parks, open space, public lands and other public uses. It is anticipated that the land use designations and zoning shown in the Comprehensive Plan and on the Zoning Map will be used as a general guide only, and the activity center design plan may change such land use designations. However, the exact location of the uses need not be shown in the activity center design plan.

(b) If possible, integrate the McNary Golf Course, lake, public open spaces, civic center, and Claggett Creek corridor for public access and enjoyment.

(c) Encourage mixed use developments and multi-use structures. Within the district, pedestrian circulation and access should be emphasized.

(d) Provide for adequate off-street parking and loading, and public transportation facilities.

8. Establish the following objectives for the Chemawa Activity Center:

(a) The primary uses are regional service center, light industry, hotel/motel and supporting facilities, convention facilities, and retail shopping facilities.

(b) Improve access to the district and Lockhaven Drive. Coordinate transportation improvements with the industrial district to the north.

CHAPTER 46

ACTIVITY CENTER OVERLAY - AC ZONE

46.00 PURPOSE. The AC (ACTIVITY CENTER OVERLAY) zone is adopted to implement the policies of the Comprehensive Plan for Activity Centers which include provisions for a mixture of intensive land uses emphasizing employment opportunities, transit and pedestrian facilities, and circulation.

46.01 APPLICATION. The provisions of this Section apply to Activity Centers as identified in the Comprehensive Plan.

46.02 USES. Uses allowed in an Activity Center shall be as specified in the underlying ~~district~~ zone.

46.03 DEVELOPMENT STANDARDS. All development within an Activity Center is a conditional use and is subject to the review and application requirements under Chapter 5 as modified below:

(a) Activity Center Design Plan: All new developments and expansions of existing developments shall comply with the adopted activity center design plan for ~~the~~ each Activity Center.

~~(1) The design plan will provide for a coordinated approach to area planning and development.~~

~~(2) Design plans shall include:~~

~~(a) Market feasibility, phasing, and marketing plan for anticipated uses.~~

~~(b) Development plan showing location and amount of land uses, location of major transportation facilities, location of major public facilities, location of parks, open space, public lands and other public uses, phasing plan.~~

~~(c) When transfer of development rights is used, the receiving areas shall be designated with zoning classifications consistent with the density and use of development proposed. Standards and other requirements of these zones shall be met.~~

~~(d) The use of Planned Developments for residential areas in Activity Centers is encouraged.~~

~~(b) Interim Requirements: In the absence of an adopted design plan, the improvements in Subsection 46.03(a)(3) may be required for new development as necessary to serve the use and provide for projected public facility needs of the area as determined by the City.~~

(b) Developments in an activity center shall be required to submit a master plan for approval as part of the application process. The elements of such master plan shall include, but are not limited to, the following:

(1) A master plan map showing the location of land uses, open spaces, and pedestrian and vehicular circulation and a written explanation showing how these features achieve the purpose of the activity center design plan.

(2) For any project for which the projected average daily traffic will exceed 250 vehicle trips per day, in accordance with the Institute of Traffic Generation Manual, a traffic impact analysis will be required and a written explanation how negative impacts will be mitigated.

46.04 CONDITIONS OF APPROVAL. The City may attach conditions to any development within an Activity Center to achieve the following objectives:

(a) The development shall emphasize transit usage by residents, employees, and customers. This may require:

(1) Orienting buildings and facilities towards transit services;
(2) Minimizing transit/auto conflicts;
(3) Encouraging transit supportive uses;
(4) Minimizing walking distance to transit stops;
(5) Avoiding excess parking areas, and
(6) Encouraging shared parking and structure or understructure parking.

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(a) Activity Center Design Plan: All new developments and expansions of existing developments shall comply with the adopted activity center design plan for each Activity Center.

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 (1) A master plan map showing the location of land uses, open spaces, and pedestrian and vehicular circulation and a written explanation showing how these features achieve the purpose of the activity center design plan.

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(3) Encouraging transit supportive uses;
(4) Minimizing walking distance to transit stops;
(5) Avoiding excess parking areas, and
(6) Encouraging shared parking and structure or understructure parking.

(b) The development shall facilitate pedestrian/bicycle circulation. This may require:

(1) Providing efficient, convenient, and continuous pedestrian and bicycle transit circulation systems, linking developments with the Activity Center facilities, and surrounding development;
(2) Separating auto and truck circulation and activities from pedestrian areas;
(3) Pedestrian-oriented design;
(4) Pedestrian amenities;
(5) Bicycle parking;
(6) Outdoor lighting.

(c) Coordination of development within an Activity Center area. This may require:

(1) Continuity and/or compatibility of landscaping, circulation, access, public facilities, and other improvements;
(2) Siting and orientation of land uses;
(3) Frontage roads or shared access.

(d) Developments within the Activity Center should be compatible with, and complement the surrounding neighborhood. This may require:

(1) Sensitive use of landscaping, building heights, building scale, materials, lighting, circulation systems, and architectural features;
(2) Buffering of adjacent residential uses.

(b) The development shall facilitate pedestrian/bicycle circulation. This may require:

  (1) Providing efficient, convenient, and continuous pedestrian and bicycle transit circulation systems, linking developments with the Activity Center facilities, and surrounding development;
  (2) Separating auto and truck circulation and activities from pedestrian areas;
  (3) Pedestrian-oriented design;
  (4) Pedestrian amenities;
  (5) Bicycle parking;
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  (3) Frontage roads or shared access.

(d) Developments within the Activity Center should be compatible with, and complement the surrounding neighborhood. This may require:

  (1) Sensitive use of landscaping, building heights, building scale, materials, lighting, circulation systems, and architectural features;
  (2) Buffering of adjacent residential uses.

~~(c) Design guidelines describing standards for public improvements, structures, landscaping, site development.~~

~~(d) Implementation and financing plan.~~

~~(3) The design plan may require the provision of, or participation in, the development of public facility improvements to implement the design plan. Such improvements may include, but are not limited to, the following:~~

- ~~(a) Road dedications and improvements;~~
- ~~(b) Signalization;~~
- ~~(c) Sidewalks and bikeways;~~
- ~~(d) Crosswalks and/or overpasses;~~
- ~~(e) Storm drainage facilities;~~
- ~~(f) Sewer and water service lines and improvements;~~
- ~~(g) Underground utilities;~~
- ~~(h) Street lights;~~
- ~~(i) Transit stops and bus shelters;~~
- ~~(j) Transit information displays;~~
- ~~(k) Park and Ride facilities;~~
- ~~(l) Public restrooms;~~
- ~~(m) Street tree and median landscaping and development; and~~
- ~~(n) Open space, pedestrian plazas.~~

~~(4) The design plan will define specific land use and zoning designations for the Activity Center. It is anticipated that the land use designations and zoning shown in the Comprehensive Plan, and on the Zoning Map before a design plan is prepared, will be used as a general guide only. The following provisions also apply in development of the design plan:~~

~~(a) For purposes of calculating overall density, the mix of land use designations shown in the Comprehensive Plan shall not be varied by more than 20%,~~

~~(b) Transfer of development rights within the Activity Center is permitted when the property with reduced development rights is donated to the City, or permanently dedicated for public open space,~~

5. The following provisions apply in development of the activity center design plan:

   (a) For purposes of calculating overall density, the mix of land use designations shown in the Comprehensive Plan shall not be varied by more than 20%.

   (b) Transfer of development rights within the Activity Center is permitted when the property with reduced development rights is donated to the City, or permanently dedicated for public open space.

   (c) When transfer of development rights is used, the receiving areas shall be designated with zoning classifications consistent with the density and use of development proposed. Standards and other requirements of these zones shall be met.

   (d) The use of Planned Developments for residential areas in Activity Centers is encouraged.

6. The activity center design plan may require the provision of, or participation in, the development of public facility improvements to implement the activity center design plan. Such improvements may include, but are not limited to, the following:

   (a) Road dedications and improvements;
   (b) Signalization;
   (c) Sidewalks and bikeways;
   (d) Crosswalks and/or overpasses;
   (e) Storm drainage facilities;
   (f) Sewer and water service lines and improvements;
   (g) Underground utilities;
   (h) Street lights;
   (i) Transit stops and bus shelters;
   (j) Transit information displays;
   (k) Park and Ride facilities;
   (l) Public restrooms;
   (m) Street tree and median landscaping and development; and
   (n) Open space, pedestrian plazas.

7. Establish the following objectives for the McNary Activity Center.

   (a) Primary uses are retail-office center, public park and open space lands including the 50-acre lake, medium and high density residential.

center design plan may change such land use designations. However, the exact location of the uses need not be shown in the activity center design plan.

(c) ~~Design~~ ~~The design plan shall provide policies and guidelines describing standards for public improvements, structures, landscaping, site development.~~

~~(d) Implementation and financing plan.~~

5. The following provisions ~~also~~ apply in development of the activity center design plan:

   (a) For purposes of calculating overall density, the mix of land use designations shown in the Comprehensive Plan shall not be varied by more than 20%.

   (b) Transfer of development rights within the Activity Center is permitted when the property with reduced development rights is donated to the City, or permanently dedicated for public open space.

   (c) When transfer of development rights is used, the receiving areas shall be designated with zoning classifications consistent with the density and use of development proposed. Standards and other requirements of these zones shall be met.

   (d) The use of Planned Developments for residential areas in Activity Centers is encouraged.

6. The activity center design plan may require the provision of, or participation in, the development of public facility improvements to implement the activity center design plan. Such improvements may include, but are not limited to, the following:

   (a) Road dedications and improvements;
   (b) Signalization;
   (c) Sidewalks and bikeways;
   (d) Crosswalks and/or overpasses;
   (e) Storm drainage facilities;
   (f) Sewer and water service lines and improvements;
   (g) Underground utilities;
   (h) Street lights;
   (i) Transit stops and bus shelters;
   (j) Transit information displays;
   (k) Park and Ride facilities;
   (l) Public restrooms;

General Development Standards & Regulations	Chapter 17
Landscaping	Chapter 18
Off-Street Parking and Loading	Chapter 19
Development Standards for Secondary, Accessory and Temporary Structures	Chapter 20
Floodplain Overlay Zone	Chapter 42
Greenway Overlay Zone	Chapter 43
Activity Center Overlay Zone	Chapter 46
Resource Conservation Overlay Zone	Chapter 47

dwelling attached on one side has a minimum lot area of 3500 square feet, and a single family dwelling attached on both sides has a minimum lot area of 3000 square feet. Duplexes shall occupy lots with a minimum of 6000 square feet. (See Chapter 17 for density limitations).

(2) Lot area, multi-family dwellings: All multiple family uses shall occupy lots with a minimum of 6000 square feet. One dwelling unit per 1500 square feet of net lot area is allowed. (See Chapter 17 for density limitations).

(3) Lot area, other uses: All other uses shall occupy lots with a minimum of 6000 square feet, provided a non-residential use attached on one side has a minimum lot area of 5000 square feet, and a non-residential use attached on both sides has a minimum lot area of 4500 square feet.

(4) Lot dimensions, single family. The minimum lot width is 40 feet, the average lot depth shall be at least 70 feet.

(5) Lot dimensions, other uses. The minimum lot width is 40 feet, and the average lot depth shall be at least 80 feet.

XX.13 FRONT YARDS AND YARDS ADJACENT TO STREETS. Within a MU zone:

(1) Along the full extent of each front lot lane and lot line adjacent to a street, there shall not be a required yard, provided, however, that garages or carports having a vehicle entrance facing a street shall be setback at least 20 feet from the street right-of-way.

(2) For single family dwelling within 20 feet from the street right-of-way no more than two adjacent lots shall have the same setback from the right-of-way for the primary buildings. Setbacks for the primary buildings shall vary at least four feet in depth between adjacent lots. A dwelling having a side yard adjacent to a street shall not be considered as affecting or affected by setbacks of adjacent buildings under this subsection.

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, there shall be a required yard of 20 feet from the right-of-way of a designated arterial or collector street.

(4) Setbacks for accessory structure shall be the same for main buildings except for accessory structures serving dwellings which are subject to the requirements of Chapter 20.

XX.14 INTERIOR SIDE AND REAR YARDS. Within a MU zone the following yards shall be provided:

square feet (5719).

(vi) Eating and drinking places and further provided the gross floor area shall not exceed 10,000 square feet(58).

(vii) Retail, miscellaneous provided all display is within a building and further provided the gross floor area shall not exceed 10,000 square feet (59) BUT EXCLUDING non-store retailers (596) and fuel and ice dealers (598).

(viii) Commercial and stock savings banks (602).

(ix) Mutual savings banks (603).

(x) Savings and loan associations (612).

(xi) Personal credit institutions (614).

(xii) Insurance agents, brokers, and services (641).

(xiii) Real estate (65).

(xiv) Personal services (72) BUT EXCLUDING:
  (1) power laundries, family and commercial (7211),
  (2) linen supply (7213),
  (3) dry cleaning plants, except rug cleaning (7216),
  (4) carpet and upholstery cleaning (7217); and
  (5) industrial launderers (7218).

(xv) Management, consulting, and public relations services (7392),

(xvi) Offices of physicians (801).

(xvii) Offices of osteopathic physicians (803).

(xviii) Offices of other health practitioners (804).

(xix) Legal services (81).

(xx) Miscellaneous services (89).

(xxi) Landscape counseling and planning.

(xxii) Travel agency

(xxiii) News dealers and newsstands

(xxiv) Beauty and barber shops

(xxv) Government offices

(xxvi) Stenographic services and reproduction services, not elsewhere classified.

(xxvii) Personnel supply services

(xxviii) Computer and data processing services

(xxix) Parking lots

(xxx) Health services except hospitals and nursing and personal care facilities.

(xxxi) Executive offices

(xxxii) Community or neighborhood clubs

(xxxiii) Public parks, playgrounds, and other public and semi public uses

(xxxiv) Public utility structures and buildings

(xxxv) Child care facility

(xxxvi) Hotels, motels and tourist courts (701).

(xxxvii) Business services (73) except disinfecting and maximizes retention of wildlife.

Reducing the number of driveways will increase the amount of traffic on those remaining. Given the significant amount of traffic generated by this project, dispersing the traffic at appropriate intervals is probably preferable to concentrating the traffic at a few points.

Alternatives

The property owner's preliminary proposal for driveways can be accepted.

The number of driveways on Lockhaven can be limited to 2.

The Activity Center Plan can prohibit direct access to River Road.

Action

Driveways will be limited so that they are no closer than 400 feet on an arterial and 200 feet on a collector. They must line up with existing streets or driveways on the opposite site of the street, or meet these separation standards.

Impacts on Surrounding Streets

Issues

Development of the Staats Lake area will result in substantial traffic generation. It can be reasonably expected that the residential areas will result in 6 to 8 vehicle trips per day per unit. This yield a traffic generation of 3,300 to 4,400 trips per day. This does not include traffic generated by the commercial areas.

This increase will impact Lockhaven Drive and River Road, possibly leading to a need for traffic control and/or street improvements.

Increases in traffic will occur incrementally as the project is phased in over several years.

Alternatives

The City can anticipate and plan for meeting these needs, putting appropriate projects in the Capital Improvements Program.

The City can require the developer to fund a traffic impact analysis identifying impacts and determining mitigation measures. The developer can be help responsible for implementing these measures.

Actions

A traffic impact analysis should be required. However, it should be as required by an ordinance requiring such studies of all major development throughout the City.

As the Claggett Creek corridor is not developable and is of little value to the development, and as it is desirable to be developed and preserved as a wetland and wildlife habitat, the corridor is planned to be put in public ownership.

CIRCULATION AND ACCESS

Staats Lake

Relationship between McNary Area and Staats Property - Issues

The Comprehensive Plan states the following objective for the McNary Activity Center: "Integrate the McNary Golf Course, lake, public open spaces, civic center, and Claggett Creek corridor for public access and enjoyment."

Planning for the Staats Lake area has included a public debate over the need to provide a street tie between it and McNary Estates from the eastern end of each property. Public sentiment has generally been against this link.

There are very few options for providing a street link between the eastern ends of each property due to the topography.

A link between the properties will be created by the McClure Street extension.

The City has no legal means to require McNary Estates to allow the connection to McNary Estates Drive as it is a private street.

Relationship between McNary Area and Staats Property - Alternatives

The Activity Center Plan can reflect the Comprehensive Plan and require a street connection. In this case, the City will need to negotiate with McNary Estates for a right of access to McNary Estates Drive.

The Plan could show no access at the east end of the properties, relying on McClure to provide the desired tie between the neighborhoods.

Relationship between McNary Area and Staats Property - Action

The eastern link between the properties will not be required.

Internal Circulation within Staats Property

Issues

Preliminary proposals for the Staats Lake area do not have a vehicle circulation system throughout the entire project. Generally, the proposed project is broken into three areas each with their own circulation network.

In order to develop the property in a fully integrated manner, as a true and healthy neighborhood, internal vehicle access is necessary from one end of the property to the other.

The width of buildable land between the property borders and the lake restricts the capability to develop a continuous internal public street with normal right-of-way widths and building setbacks. However, as the expectation the public would ultimately have access to the lake.

There is a risk to the owners if the public has access to the lake for typical "park" activities such as swimming, etc. The liability could be unacceptable.

The lake does not lend itself to swimming type activities due to its history as a gravel pit. It has steep banks without any beaches, it drops off sharply, and it is very deep. Since the lake is not stream fed but rather is ground water, fluctuations in the aquifer will impact the surface level. The present owner of the property anticipates it will tend to drop in the future.

Public access can take many forms including visual access, physical proximity, and boating.

The present owner of the property anticipates developing residences around approximately 75% of the lake frontage. The corporation is concerned about the privacy and security of these homes.

Development of a public park along some portion of the lake frontage would create an unrestricted point of public access to enjoy the lake. It would also create the liability and suitability situations discussed above. In addition, the ownership of the lake, itself, would possibly have to be passed to the City.

Acquisition of the entire Staats property would provide the City the opportunity to develop an extensive water-oriented park. Lands not needed for park use could be resold for development. This option, however, would have three major financial impacts. First would be the cost of buying the property. Second would be the cost of developing, operating, and maintaining the park. Third, and possibly most importantly, loss of the development potential of this property will remove a major source of tax increment revenues that will be funding the North River Road Urban Renewal District and its projects.

Unrestricted public access to the lake even if it remains in private ownership can lead to security and activity problems. The means of managing the pubic access would need to be determined and agreed upon.

Alternatives

The first alternative is acquisition of the entire property for park use. Due to the financial impacts discussed above, this cannot be recommended.

The second is to acquire a lake-front park. This is not deemed to be feasible due to the questionable suitability of the lake for typical lake-front park uses. As well, the City may not want to bear the expense of developing, operating, maintaining, and insuring this type of park development.

The third alternative is to retain the lake and shorelands in private ownership, but set standards for public access.

Actions

It is the policy of this Plan that development of a "promenade" along the frontage of the commercial area is required. This promenade will overlook the lake and provide an attractive, inviting area for walking, standing, and sitting while enjoying the view and proximity to the lake. It will complement the commercial uses by providing an area for outdoor seating for restaurants.

Park Location

Issues

The Comprehensive Plan calls for the development of the Staats property with medium and high density housing.

Medium and High Density housing is implemented through 3 zones: RL (Limited Density Residential), RM (Medium Density Residential), and RH (High Density residential).

RH developments average at least 16 dwelling units per acre. RM developments have 8 to 16 dwelling units per acre. RL projects have 8 to 12 dwelling units per acre.

The size of this property, coupled with its unique relationship to the lake, make it a unique opportunity to provide housing at densities higher than typical single-family development. Encouraging a mixture of housing types and densities, supporting the commercial development at the east end of the lake, will create a unique, special new neighborhood for Keizer.

The Staff is currently preparing an amendment to the draft of the Comprehensive Plan periodic review order which may call for a minimum average density for new development city-wide of at least 6 dwelling units per acre. This will allow conventional single family development, but will also call for medium density development such as row houses and condominiums, as well as apartments.

Residents within McNary Estates have expressed concern about apartments developing adjacent to their single family and townhouse areas.

Residential Development - Alternatives

One preliminary development proposal discussed during public hearings on this Plan would place apartments along the boundary with McNary Estates.

A minimum density standard could be adopted for the property. This standard could be achieved in whatever manner the property owner wishes. Based on the current Comprehensive Plan standards, this minimum density should be 6 dwelling units per acre.

Policies could be developed that would guide the locations for different types of residential development.

The present owner of the Staats Lake property has expressed a desire to build more conventional single-family development than what the 6 dwelling unit standard may allow. As well, the planned character and vibrancy of the Mixed Use area relies on housing being incorporated with the commercial activity. Therefore, an alternative housing policy can be considered which allows a density transfer from the residential area to the mixed use area. This gives flexibility in the development styles for the residential area, while encouraging the desired mixture of land uses in the Mixed Use area.

occupied by apartments with Keizer Automotive located at the north end.

The convenience market site does not meet current design standards. This is especially reflected in the lack of landscaping.

Alternatives

The land in this area could be zoned with the mixed-use zoning described above. This could guide redevelopment of the area in a manner more consistent with the McNary area to the west.

The land could remained zoned as it is, recognizing that redevelopment of the entire area is unlikely in the foreseeable future. If the convenience market site is redeveloped, it would have to conform with current zoning provisions, which include landscaping.

Special development policies could be developed for this area covering landscaping, setbacks, access, etc.

Action

This area will retain its current zoning. As significant redevelopment of the property is unlikely, it is also removed from the McNary Activity Center as defined in the Comprehensive Plan.

Land between River Road and Trail Avenue

Issues

The Comprehensive Plan included only the northern portion of this area within the McNary Activity Center. This northern area is made up of several developed and two undeveloped parcels. At the north end is a Texaco station. A small vacant parcel lies between the station and the new Manzanita Street extension. South of Manzanita is a large vacant parcel fronting on both River Road and Trail Avenue. Also included in this area is the CG Long Building Supply business and a dance studio with an associated house.

This Plan expands the boundaries of the Activity Center to encompass all of the land between Trail Avenue and River Road. This action recognizes the existing Low Density Residential designation of these properties is not likely to stand over time due to the higher intensity designations surrounding this area on all sides. The Plan brings these properties into this planning process now so that future redevelopment of this area will be in keeping with what in planned for the surrounding area.

The southern portion of this area includes single family homes and several retail uses, including a convenience store, a used car dealer, and a produce stand at the Lockhaven Drive frontage.

All commercial properties in this area are zoned CR (Commercial Retail) except the building supply, dance studio, and used car dealer properties which are zoned CG (Commercial General). The residential properties are zoned UT (Urban Transition). The Comprehensive Plan designates the commercially zoned area for continued commercial use. The UT area is designated for low density residential.

Major issues revolve around the development of the large vacant property and the potential redevelopment of the commercially and residentially used properties.

The physical and visual relationship of the vacant property to the balance of the McNary Activity Center lands creates a concern about future development. An intense development of the property without significant setbacks, landscaping, and screening, could be damaging to the character of the overall area.

Circulation and Access, and Environmental

Each will be discussed below with an analysis and direction for specific policies or plans. The policies stemming from this analysis are listed within the Plan.

LAND USE

McNary/Courthouse Area

Issues

This area is generally developed to the point that little additional development is likely. The exception is the property where the McNary Estates sales office is located. This office is a modular structure and is intended to be temporary in nature.

This property is zoned CR (Commercial Retail) and designated on the Comprehensive Plan for commercial use. Such use is in keeping with the two other commercial uses in this area, the McNary Restaurant and the Courthouse Athletic Club.

Given the nature of the immediate area, future commercial use of the current McNary Estates office will probably be appropriate. However, there may be concern about the character of any future use.

The McNary Restaurant/Pro Shop and the Courthouse, because of their substantial financial investments in improvements, can probably be expected to remain at their current locations with few changes.

Alternatives

Using the current CR zoning is one alternative. This will allow flexibility in future development. However, many CR uses may not be considered compatible with the area. Both the McNary Restaurant/Proshop and the Courthouse are relatively subdued in their presence. Many CR uses, such as fast food establishments or service stations, may not reflect this "quieter" character.

A new zone could be created that sets stricter standards on site development and on potential uses. This zone might be applied not only within this area, but also within other commercial parts of the activity center.

A third option would be an overlay zone that would set standards in addition to the provisions of whatever underlying zone applies to a property. This overlay could set higher standards for setbacks, landscaping, signage, etc.

A fourth alternative would be a new mixed-use zone that allows both commercial and medium density residential development. This zone would set strict design standards. This possibly would need to be accompanied by a mixed-use Comprehensive Plan designation or at least enabling policies.

Action

This Plan adopts the use of a new mixed-use zone. Since much of the concepts set in the Comprehensive Plan for the McNary Activity Center call for the creation of a mixed-use center developed in a planned manner, a special zone that accommodates and encourages this type of development will be most

Implementation

The McNary Activity Center Plan is to be implemented primarily through the zoning and subdivision process. The zoning ordinance is being amended to provide a means to assure future private development occurs in a manner conforming with and helping to implement the policies of this Plan.

Zoning

The zoning ordinance was amended in 1987 to include an AC (Activity Center) zone. This zone set very specific requirements for the development of an activity center plan. However, during the development of this plan, it was determined the AC zone requirements were far too detailed and cumbersome to meet the actual needs at this time.

As is indicated in the Land Use section, above, a new Mixed Use zone is created to provide flexibility in land use development patterns and to encourage a health mix of uses within this new neighborhood.

The (AC) Activity Center Zone

The AC zone is amended to remove the specific requirements for the activity center plan. The provisions of the zone requiring all uses to be processed as conditional uses remains. The criteria originally set for the activity center plan are now used as criteria for review of individual conditional use applications.

The (MU) Mixed Use Zone

A new Mixed Use zone is adopted that is intended to not only allow a mixture of uses, but to encourage such use. The tools offered for the mixture include a substantial reduction of setback requirements for residential uses and an automatic reduction in parking space requirements due to sharing between residential and commercial uses.

Comprehensive Plan

The Comprehensive Plan includes several specific provisions for the McNary Activity Center as are quoted at the start of this Plan. Amendments to the Plan language are adopted along with this Activity Center Plan. These amendments eliminate the specific language of the Plan and acknowledge this Activity Center Plan as a component of the Comprehensive Plan.

Development Process

As is indicated above, all development activity within the Activity Center will be processed as a conditional use. Recognizing that the Staats Lake property is unique in its size, and in the scope and impact of its development, it will also be concurrently processed through the planned unit development process. This will provide a framework for evaluating the proposal as well as give the developer a great deal of design flexibility.

Policy

1. *The Staats Lake property will develop in accordance with a comprehensive development plan processed as a planned unit development except that the developer may, at his or her*

2. *When small lots are developed, combining of access points with adjacent lots shall be required.*

3. *All new access points shall be located so there is a minimum sight distance in both directions equal in feet to 10 times the speed limit.*

4. *There shall be only one access to River Road from any single property within the Activity Center.*

5. *A pedestrian/bicycle pathway network, meeting Oregon Department of Transportation design and construction standards, linking key components of the Activity Center shall be included as part of future developments.*

Parks, Recreation, and Environment

Public Relationship to Staats Lake

This Plan does not include acquisition of a lake front park on Staats Lake. Development of a public park along some portion of the lake frontage would create an unrestricted point of public access to enjoy the lake. However, it would also create liability and suitability situations due to the "gravel pit" nature of the lake with its steep banks and deep waters.

The alternative to a lake front park is to retain the lake and shorelands in private ownership, but set standards for public access as part of the private development.

Action

This Plan envisions development of a "promenade" along the frontage of the commercial area. This promenade will overlook the lake and provide an attractive, inviting area for walking, standing, and sitting while enjoying the view and proximity to the lake. It will complement the commercial uses by providing an area for outdoor seating for restaurants.

Policy

1. *A promenade shall be developed along the entire frontage of commercial development abutting Staats Lake. This promenade will provide an attractive place for walking, sitting, eating, and viewing the lake. The promenade shall be open to the public during regular business hours.*

Park Location

The Comprehensive Plan indicates a future park site in the area north of Keizer School. The Plan sets a standard of 5-20 acres for a neighborhood park. It calls for neighborhood parks to be located adjacent to elementary school sites. Keizer School currently has approximately three acres in outdoor recreational space west of the school.

There is a long term need for development of this neighborhood park. Substantial residential development

Property Between McNary Restaurant and Staats Lake

Action

Use of the property for either or both multi-family and office development is recommended. It might be best to encourage a mixture of both uses on the property.

A new mixed use zone, as described above, is adopted. This will encourage both multi-family and office development of the property.

Land between River Road and Trail Avenue

Actions

The entirety of the area is to be rezoned to the Mixed Use zone with the exception of the parcel north of Manzanita which will remain in the Commercial General zone, and the properties fronting Lockhaven which will retain their Commercial Retail and Commercial General zones.

Staats Lake Property

Residential Development - Actions

A minimum density standard of 6 dwelling units per acre is planned for the property. This conforms with the intent of the Comprehensive Plan.

Development will be limited along the northern shore of the lake, and the extension of that area to the east property line, to single family or townhouse developments. Townhouses should not exceed 8 dwelling units per acre and should be similar in style and layout to those found within McNary Estates.

As specific development plans are considered, density can be transferred on a one for one basis from the residential area to the mixed-use area, as long as the density of the residential area does not drop below five dwelling units per acre.

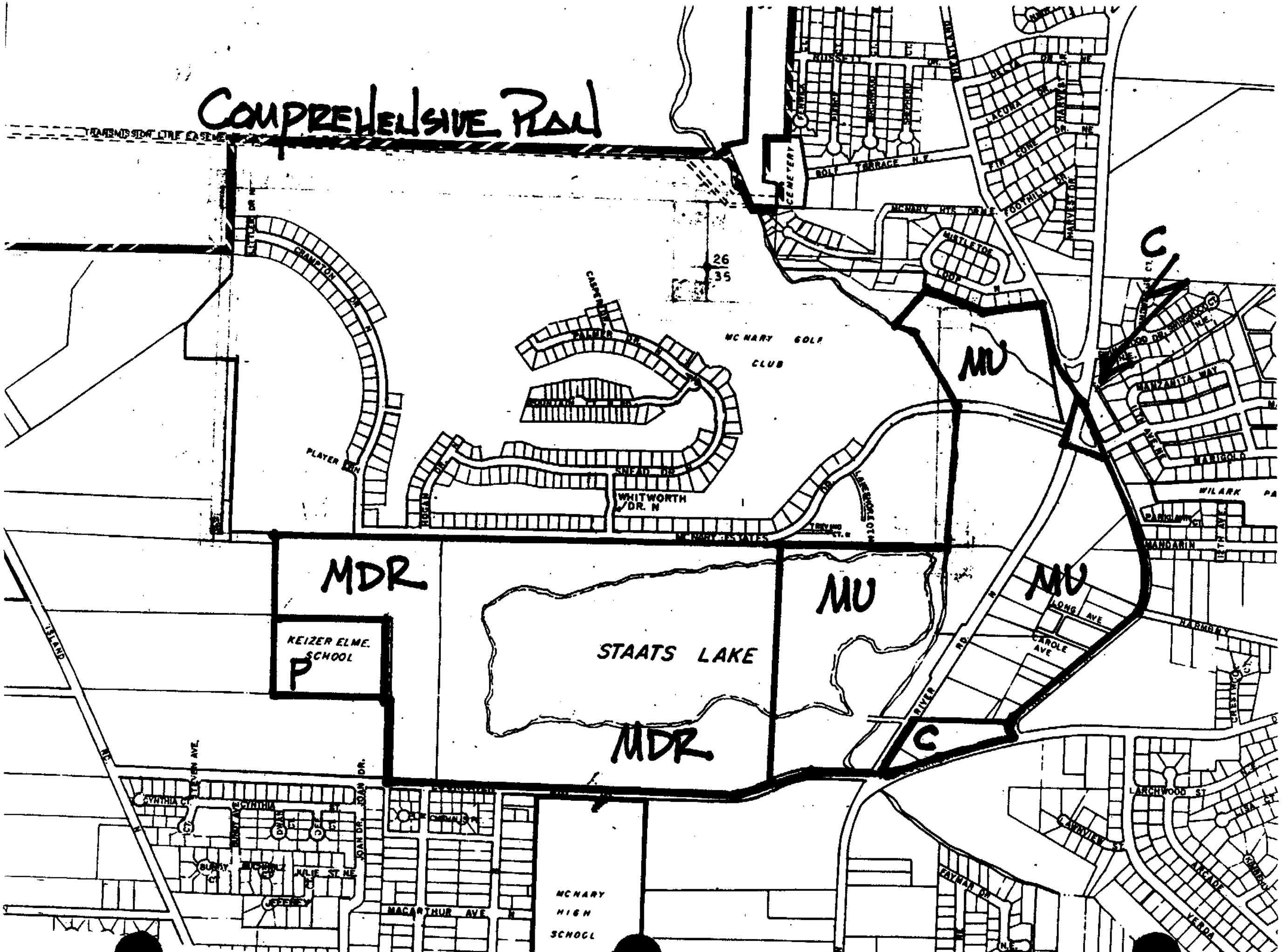
Residential Development Policies

1. *The MDR area shall have an average residential density between 6 and 10 dwelling units per gross acre.*

2. *The average residential density will be computed for the entire MDR area, regardless of ownership patterns.*

3. *Within the property currently owned by the Staats Corporation, the required density of the MDR area (regardless of current or future ownership patterns) may be partially transferred to the Mixed Use area and the lake. For every dwelling unit built in the Mixed Use area, or for every permanent houseboat created, one dwelling unit may be subtracted from the required density of the MDR area. However, the density of the MDR area shall not be reduced to less than 5 dwelling units per gross acre.*

Comprehensive Plan



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ROLE OF THIS PLAN

The McNary Activity Center Plan will be adopted as an element of the Keizer Comprehensive Plan. All development activity within the area will be reviewed and approved in accordance with the provisions of this Plan. The Comprehensive Plan is being revised concurrent with the adoption of this Plan to acknowledge and incorporate it.

This Plan has two components: the Plan itself; and an Appendix containing an analysis of the issues within this planning area.

The Plan includes 16 policies which are found within each subsection below. These are the functional components of this Plan. The policies are adopted as the Community's expectations of how development will occur within the Activity Center. All development proposals will be evaluated based on these policies. The policies have the same effect and force as if they were part of the Comprehensive Plan document.

The material other than the policies is descriptive and analytical and is subservient to the policies. However, the "Action" section of each issue discussion may include specific actions that are being adopted.

PURPOSE OF THIS PLAN

The purpose of this McNary Activity Center Plan, and the process of its development, is three fold, as outlined below:

1. *Implement the Comprehensive Plan;*
2. *Define the Community's vision of what the McNary Activity Center will be like when developed; and*
3. *Set the Community's expectations of how it is to develop so the vision is achieved.*

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City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

CITY COUNCIL MEETING: June 17, 1991

AGENDA ITEM NUMBER: 6

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.PA,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

JM

SUBJECT: PERIODIC REVIEW

BACKGROUND:

Keizer has been involved in the required process of reviewing its Comprehensive Plan since early 1989. This is known as "periodic review." Keizer's comprehensive plan is a component of the Salem Area Comprehensive Plan. As such, Keizer has been cooperating in this review with Salem, Marion County, and Polk County.

Keizer's intent through this process has been to create a separate Keizer Comprehensive Plan that is coordinated with the other three jurisdictions. This coordination primarily focuses on issues of significance to the entire urban area. These are known as "regional issues."

The City has prepared a draft periodic review order, which includes the city's own plan. The adoption of this order, along with the parallel process of Salem adopting its own periodic review order, was tabled in 1990 so the remaining regional issues could be resolved.

Of the four major regional issues, three have been resolved. These are:

> Urban Growth Boundary Amendments - Keizer and Salem have "separated" their criteria for boundary changes, with both being bound by the seven statewide criteria, but with Salem also being bound by a "last-out, first-in" policy.

The Planning Commission will be the lead body for finalizing the draft. The Citizens Advisory Committee will work concurrently in assuring the citizen involvement opportunities and the adopted citizen involvement processes are adequate.

The actual research, review, and drafting will be performed by the consulting firm of Spenser and Kupper under the supervision of the Community Development Director, who is the overall project manager. Spenser and Kupper have performed the major work on this project to date. The work is budgeted and authorized in the 1990-1991 supplemental budget. The consultant's work will be authorized through an extension of the current contract.

The projected time frame for finalizing the work is as follows:

July-September	Updating of current draft
October	Planning Commission review
November	Planning Commission hearing and adoption of recommendation
December	City Council hearing and adoption

RECOMMENDATION:

It is recommended the City Council approve this strategy for completing periodic review.

FOR COUNCIL MEETING OF: May 13, 1991

AGENDA ITEM NO.: 7.2N

TO: MAYOR AND CITY COUNCIL

THROUGH: GARY A. EIDE, CITY MANAGER Gary Eide

Robt Briscoe

FROM: ROBERT BRISCOE, DIRECTOR
COMMUNITY DEVELOPMENT

SUBJECT: PERIODIC REVIEW: STRATEGY AND SCHEDULE FOR ADOPTION

ISSUE

What can be done to terminate the portion of Periodic Review in which Salem, Keizer, Polk and Marion Counties concur?

POLICY DECISIONS

Periodic Review is a State mandated revision of the comprehensive planning program. There are two policy issues. The first is accepting a "segmented" or partial, approval of Periodic Review. The Salem City Council made a commitment to this approach at the end of the year long public process in February 1990. The other issue is a commitment by Salem, the lead jurisdiction in the process, to press the other jurisdictions to adopt the revisions they concur in and seek Department of Land Conservation and Development (DLCD) approval on the parts all four local jurisdictions agree.

BACKGROUND

Periodic Review was initiated by DLCD's notice to the four local jurisdictions on January 15, 1989. After an involved public hearing process, the proposed Final Local Review Order containing findings and proposed comprehensive plan and development code changes, was printed in August 1990. The original strategy for the proposed final order was to adopt revisions which all four local jurisdictions concurred in and leave out the 8 issues which had not been resolved. As the lead agency, in September 1990 Salem passed through first reading three ORD Bills, which were designed to adopt the proposed Final Order. The purpose of this action was to motivate the other three jurisdictions to hold hearings and adopt concurring ordinances.

Although the staff of the other three jurisdictions had agreed to this approach at one juncture, the other jurisdictions never adopted the proposal. The City of Keizer indicated that total resolution of all issues was required. Over the past nine months an effort has been made to accomplish this end, with limited success.

During the current legislative session, a bill (HB 2150) has been introduced to elevate Periodic Review from its status as a process guided by a State administrative rule to a statutory requirement. The bill has been approved by the House, but has not been considered by the Senate, so the requirements are not yet clear. However, the basic issue is that new rules are not likely to simplify the completion of Salem's Periodic Review which is in mid-course. Therefore, the pending legislation adds another impetus to complete what is concurred in by all four local jurisdictions.

SUBJECT: PERIODIC REVIEW: COMPLETION STRATEGY AND SCHEDULE

DATE: 13 MAY 1991

ISSUE: What efforts must be made to complete the Periodic Review for the Salem Urban Area Comprehensive Plan?

DISCUSSION: The intent of this proposal is to identify the activities and a schedule to complete the periodic review for the Salem Area Comprehensive Plan (SACP). In general the Salem City Council will consider the following strategy and schedule to meet a submission time before the effective date, more than likely 1 October 1991, of any new regulations or laws now under consideration for the periodic review process changes.

> Submit a complete package of revisions for all issues for consideration to all three jurisdictions. Request the jurisdictions to approve a segmented concurrance of the Final Order for the Periodic Review submittal. Such a segmented approval would include: a) agreement on what they accept, and b) create a partial approved for submittal to DLCD prior to the effective date fo new statutory requirements for periodic review, about 1 October 1991.

SALEM'S PROPOSED STRATEGY AND SCHEDULE

May 13	City Council meeting	✿Table indefinitely 2 of the 3 current periodic review ordinance ✿Move to 2nd reading the scriveners error ordinance. ✿Present this strategy and schedule to the City Council and recommend that the Council forward it to the other jurisdictions and DLCD
May 14		✿Forward to the other jurisdictions the approved strategy and schedule
May 14 through June 3		✿Staff work: Prepare addendum to proposed Final Order for August 1990
June 3	City Council	✿Resolution to set the public hearing on 10 July
July 8	City Council	✿Public hearing
July 22	City Council	✿Deliberation and tentative approval of draft ordinance
July 23		✿Send proposed Ordinance Bill to the other jurisdictions
August 20		✿Receipt of adopted ordinance from the other jurisdictions
August 20 through September 9		✿Staff prepares amendments for the second reading
September 9	City Council	✿First Reading of Ordinance
September 23	City Council	✿Second Reading and Passage of Ordinance
September 26		✿Deliver Final Order to DLCD

SCHFIN3.PR3

ATTACHMENT A

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City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 17, 1991

AGENDA ITEM NO.: 7

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: APPROVAL OF PROPOSAL FOR FINANCIAL AUDITING SERVICES

DISCUSSION

2+3

The city has contracted, over the past five years, with Boldt, Carlisle and Smith to do the annual financial audit of the city records. The contract for Boldt, Carlisle and Smith expired with the completion of the audit for 1989-90, and it is now necessary for the City Council to approve a contract with a financial auditing company to provide audit services in the future.

A total of eleven Requests for Proposals were sent requesting that Proposals be submitted for services for three years, including a scope of work and costs for those services. Out of the eleven Requests for Proposals that were sent for audit services, four were received.

I requested that the Accountant review the Proposals for the audit services and I have also reviewed those Proposals. It appears from my review, as well as from the Accountant's review, that the firm of Boldt, Carlisle and Smith will provide the necessary services for the least amount of money. Boldt, Carlisle and Smith, as has been previously stated, has provided audit services to the city in the past, and they are familiar with the city's system of records. It would, therefore, take less time for them to complete the audit, and I feel that it is a factor in the price that was quoted for their services.

The City Accountant has reviewed the Proposals and he recommends that Boldt, Carlisle & Smith be retained as City Auditors.

RECOMMENDATION

It is recommended that the City Council APPROVE the proposal from Boldt, Carlisle and Smith to provide auditing services

PROPOSED AUDIT FEES

	1990/91	1991/92	1992/93
BOLDT, CARLISLE & SMITH	7,900	8,200	8,500
HARRIS & EIDE	9,350	9,700	10,000
PAULY, ROGERS	8,100	8,100	*(PLUS INFLATION)
YERGEN & MEYER	7,850	8,250	8,650

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BOLDT,

CARLISLE

& SMITH

May 9, 1990

Donald H. Otterman, M. S., PA
City Manager
CITY OF KEIZER
930 Chemawa Rd., N. E.
Keizer, OR 97307-1000

Dear Mr. Otterman:

Boldt, Carlisle & Smith, CPA's are pleased to submit this proposal to perform the audit services as described in you Request for Proposals. Our proposal is based on information provided in your Request for Proposal, our previous audit experience with the city and our other experience in performing municipal audits in Oregon.

We would like very much to continue serving as your auditing firm. In our prior service as your auditor, we demonstrated that we are *qualified* to perform audits of Oregon municipal corporations and, more specifically, *capable* of providing quality auditing services at a competitive price in a timely, efficient manner to the CITY OF KEIZER. Our proposal responds directly to your evaluation criteria as follows:

- Cost effective use of appropriate staff levels to provide quality service at a competitive price.
- Qualified staff *and* supervisory professionals with experience in auditing cities and other municipal corporations in Oregon.
- Staff assignments which give proper attention to each audit phase and provide you a cross section of our firm as a resource.
- A thorough, efficient and tailored approach to the audit.
- An approach to the letter of recommendation which provides significant benefits throughout the engagement.

All partners of Boldt, Carlisle & Smith are licensed municipal auditors and, therefore, the firm enters into contracts to perform municipal audits in the name of the partnership.

If you have any questions after you have had an opportunity to review our proposal, we would be pleased to answer them. Please contact me or George Carlisle at 585-7751.

Very truly yours,

BOLDT, CARLISLE & SMITH

Douglas C Parham

Douglas C. Parham, CPA

rg

CERTIFIED PUBLIC ACCOUNTANTS
FIR GROVE BUILDING, SUITE D
2001 FRONT STREET N.E.
SALEM, OR 97303
PHONE (503) 585-7751

PROPOSAL CONTENT

* * * Profile of Boldt, Carlisle & Smith

* * * Governmental auditing experience

* * * Staff assignments

* * * Audit objectives, scope and approach

* * * Approach to the letter of recommendation

* * * Practices regarding rotation of staff

* * * Audit fee

PROFILE OF BOLDT, CARLISLE & SMITH (Continued)

EMPLOYMENT ROSTER

Boldt, Carlisle & Smith, CPA's current personnel roster includes ***eighteen*** certified public accountants, ***ten*** non-certified staff accountants and ***six*** secretarial/clerical staff.

Eleven of our certified public accountants are licensed to conduct audits of Oregon municipal corporations. With the ability to utilize those eleven individuals in supervisory roles, we consider our entire firm to be capable of providing governmental audit services.

RANGE OF SERVICES

Boldt, Carlisle & Smith provides a full range of professional services including auditing, accounting, tax services and management services. More specifically, our service capabilities in each of those areas include:

Auditing

- Governmental
- Construction
- Employee benefit plans
- Nonprofit organizations
- Wholesale distribution
- Franchisors
- Manufacturing

Accounting

- Financial statements:
  - Compilation or review
- Pension plan services
- Bookkeeping
- Payroll preparation
- Depreciation calculations

Tax Services

- Return preparation:
  - Individuals
  - Corporations
  - Partnerships
  - Trusts/estates
  - Nonprofits
- Planning and research
- Payroll reporting
- Taxpayer representation

Management Services

- Organizational planning
- System selection
- System design
- Estate planning
- Employee recruitment
- Budget analysis
- Forecast/projection
- Acquisition planning
- Disposition planning

GOVERNMENTAL AUDITING EXPERIENCE

Eleven of the certified public accountants at Boldt, Carlisle & Smith are licensed to perform audits of Oregon municipal corporations. Throughout the firm's history, we have maintained a large, municipal client base and have audited several large, municipal corporations, including the following:

City of Keizer
City of St. Helens
Central School District No. 13J (Monmouth-Independence)
Polk County
City of Albany
Salem/Keizer School District No. 24J

Currently, we serve as auditors for six cities, thirty-three school districts, two education service districts, seven fire districts and nine special districts. Appendix A provides a list of the audits we have performed during the last five years.

As reference to our experience and the quality of professional services we offer, you may wish to contact any of the following individuals:

Rosaline Mallory, City Administrator, St. Helens (397-6272)
G. Alan Barnhill, Director of Business Services, Central School District (838-0030)
Richard Townsend, Director, League of Oregon Cities (588-6550)
Robert Arpin, CPA, Secretary of State, Division of Audits (378-3329)

Our municipal audit experience also includes assisting three clients in their endeavor to secure the GFOA Certificate of Achievement. These experiences include assisting in the initial efforts of applying, reviewing and responding to GFOA feedback and taking corrective action necessary to qualify for the Certificate.

Public and private sector audits have provided opportunities for our auditors to study and evaluate computerized accounting systems. We view the computer as an efficient tool to streamline repetitive tasks, and often times it can be used to assist our auditors. We utilize computer software to perform analytical and comparative procedures along with the development of the individual, combining and combined financial statements. During our audit, we are prepared to make appropriate suggestions to your staff regarding enhancements to your accounting and computer systems.

Grant auditing is a key element of any sizeable municipal audit. Many of our current audit clients are subject to the Single Audit Act of 1984, and our audit procedures are designed to comply with those requirements. We maintain an extensive library of resources which aid our continuing efforts to update our audit procedures and approach.

STAFF ASSIGNMENTS

Boldt, Carlisle & Smith maintains a staff which is capable of performing quality professional services for municipal corporations. This is demonstrated by the fact that *eleven* of our certified public accountants are licensed municipal auditors. We are ready, willing and able to commit these resources to the CITY OF KEIZER. Our principal supervisory and management staff will include *three* individuals who are *licensed to perform audits of Oregon municipal corporations:*

ENGAGEMENT PARTNER

George E. Carlisle, CPA: Mr. Carlisle is one of the firm's founding partners and has practiced public accounting for over 25 years in Oregon. His government audit experience has spanned his entire career in public accounting.

Government Auditing Experience

Mr. Carlisle serves as the "partner-in-charge" for all governmental audits performed by Boldt, Carlisle & Smith. In this capacity, his responsibilities include:

- Overall engagement administration
- Engagement planning with client administration
- Periodic consultation with client
- Supervision of all audit field staff
- Final review of the audit opinion/reports and financial statements

Continuing Professional Education

1990	BCS	Accounting and Auditing Update
1990	OSCPA	Governmental Accounting and Auditing Conference
1989	BCS	Accounting and Municipal Auditing Update
1989	OSCPA	Governmental Accounting and Auditing Conference
1988	BCS	Municipal Audit Update
1988	OSCPA	Accounting and Auditing Conference

Memberships in Professional Organizations

American Institute of Certified Public Accountants (AICPA)
Oregon Society of Certified Public Accountants (OSCPA)
OSCPA Committee on Governmental Accounting and Auditing (Past Chairman)

SUPERVISOR

Roger B. Bowman, CPA: Mr. Bowman joined Boldt, Carlisle & Smith in 1982 and has been a CPA since 1977. He has had a significant amount of government audit experience including school districts, community colleges, cities, counties and other governmental entities.

Government Auditing Experience

During the past three years, Mr. Bowman has served as the audit supervisor for the following municipal audits:

City of Cornelius
St. Paul School District
Polk ESD
Yamhill ESD
Sheridan School District

In previous public accounting employment, Mr. Bowman participated in audits of:

Greater Albany Public Schools
Linn County
Polk County
Linn-Benton Community College

Continuing Professional Education

1990	BCS	Accounting and Auditing Update
1990	OSCPA	Governmental Accounting and Auditing Conference
1989	BCS	Accounting and Municipal Auditing Update
1989	OSCPA	Governmental Accounting and Auditing Conference
1988	BCS	Municipal Audit Update

Memberships in Professional Organizations

American Institute of Certified Public Accountants (AICPA)
Oregon Society of Certified Public Accountants (OSCPA)

AUDIT OBJECTIVES, SCOPE AND APPROACH

OBJECTIVES AND SCOPE

Our audit will be conducted in accordance with generally accepted auditing standards; the Minimum Standards for Audits of Oregon Municipal Corporations; Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act of 1984; and the Compliance Supplement for Single Audits of Grants to State and Local Governments.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. As required by the Single Audit Act of 1984, our audit will include tests of transactions related to federal assistance programs for compliance with applicable laws and regulations. However, because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us. We will advise you, however, of any matters of that nature that come to our attention, and will include such matters in the reports required for a single audit.

We understand that you will provide us with the basic information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. This responsibility includes the maintenance of adequate records and related internal control structure policies and procedures, the selection and application of accounting principles, and the safeguarding of assets.

AUDIT OBJECTIVES, SCOPE AND APPROACH (Continued)

Following our initial study and evaluation of your accounting system, the control environment and your general operations, we will provide you with a detailed list of documents, schedules and other information which we will require copies of for our work paper files. This request will focus on information presently available from your systems, not the creation of new information. We will also formalize our expected time line for completion of the major audit engagement activities as follows:

ENGAGEMENT PLANNING:
Completed
Reviewed

ENGAGEMENT FIELDWORK:
Fieldwork started
Fieldwork at client completed
Fieldwork at office completed

ENGAGEMENT REVIEW:
Submitted for manager/partner review
Manager/partner review completed

ENGAGEMENT REPORTING:
Draft submitted for initial typing
Draft reviewed and approved
Exit conference with client
Draft changes reviewed and approved
Final report typed
Final report reviewed, approved and signed
Reports delivered

Other services which we intend to provide include the following:

- Adjusting journal entries
- Open communication with City staff <u>throughout the year</u> on questions they may have pertaining to the audit
- A copy of any work papers which may be helpful to the city staff

USE OF SPECIALIZED GOVERNMENTAL AUDIT PROGRAMS

Boldt, Carlisle & Smith is committed to provide quality professional services. Our audits are performed using programs developed by Practitioners Publishing Company (PPC) in their four volume, loose leaf service titled, *Guide to Audits of Local Governments*. The PPC programs have passed stringent tests of peer review and serve our needs in audit areas common to all government audits. We have developed audit programs to comply with the requirements of the Minimum Standards for Audits of Oregon Municipal Corporations. Also, by reference to the Compliance Supplement, we have developed programs to comply with federal financial assistance audit requirements (internal controls and compliance) for grant programs common to cities in Oregon.

APPROACH TO THE LETTER OF RECOMMENDATION

Our audit experience enables us to provide constructive suggestions for improving the city's internal accounting controls and administrative procedures. Appropriate notes will be made during the audit and later summarized for presentation to the appropriate level of management.

Letters of recommendation, issued as a by-product of audits conducted by our firm, have provided management with recommendations or insights resulting in substantial savings due to:

Improved cash management
Streamlined accounting systems
Improved receivable management
Efficient purchase order systems
Improved inventory management
Restructuring of debt
Evaluation of employee benefits and compensation
Fixed asset management
Budgetary compliance considerations

PRACTICES REGARDING STAFF ROTATION

We expect that the staff assigned to the initial audit will be available for the following years' audits. We would rotate staff in or out of the engagement only if it would promote efficiency in completing the engagement. We do not anticipate that there will be turnover in our senior audit personnel, but if a change in staffing is required, we expect a smooth transition, because we have several CPA's on our staff with substantial governmental audit experience.

APPENDIX A

LIST OF GOVERNMENTAL ENTITIES AUDITED IN THE LAST FIVE YEARS

SCHOOL DISTRICTS

Marion County

ESD
Aumsville
Bethany
Brooks
Buena Crest
Cascade Union High
Central Howell
Cloverdale
Detroit
Eldriedge
Evergreen
Gervais Elementary
Gervais Union High
Marion
Monitor
Mt. Angel
North Howell
North Marion
North Santiam
Parkersville
Pioneer
Pratum
St. Paul
Silver Crest
Stayton Elementary
Stayton Union High
Turner
Victor Point
West Stayton

Multnomah County

Sauvie Island

Polk County

ESD
Central
Falls City
Perrydale

Yamhill County

ESD
Amity
Dayton
Sheridan
Willamina

CITIES

Brownsville
Cornelius
Keizer
Mill City
St. Helens
Stayton
Turner

FIRE DISTRICTS

Aumsville
Gates
Lyons
Mill City
Southwestern Polk
Stayton
Sublimity
Turner

OTHER GOVERNMENTAL ENTITIES

League of Oregon Cities
League of Oregon Cities Insurance Trust
Local Government Personnel Institute
Lyons-Mehama Water District
Marion County Housing Authority
Mid-Willamette Valley Senior Services Agency
Mid-Polk 911 Agency
Oregon Small Schools Association
Polk County
Regional Automated Information Network
Santiam Canyon Communications Council
Santiam Water Control District

RESUMES OF PROFESSIONAL STAFF (Continued)

William L. Johnson

Over ten years' experience in auditing
Oregon Municipal Auditor Roster No. 629
B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon (since 1969)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

F. H. (Rick) Stinchfield

Over fifteen years' experience in auditing
Oregon Municipal Auditor Roster No. 663
B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon (since 1974)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

Peter L. Whitney

Over fifteen years' experience in auditing
Oregon Municipal Auditor Roster No. 667
B. S. in Business Administration and B. S. in Accounting, University of Oregon
Certified Public Accountant in Oregon (since 1972)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants
State Board of Accountancy - Standards Enforcement Committee (Past Chairman)
National Association of Accountants (Past President - Salem Chapter)

Douglas C. Parham

Over ten years' experience in auditing
Oregon Municipal Auditor Roster No. 780
B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon (since 1979)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

Roger B. Bowman

Over ten years' experience in auditing
Oregon Municipal Auditor Roster No. 710
B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon (since 1977)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

APPENDIX B (Continued)

RESUMES OF PROFESSIONAL STAFF (Continued)

Bradley G. Bingenheimer

Four years' experience in auditing
B. S. in Business Administration, Portland State University
Certified Public Accountant in Oregon (since 1989)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

David C. Hauser

Six years' experience in auditing
B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon (since 1989)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

Clinton J. Bentz

B. S. in Business Administration, University of Steubenville (Ohio)
Certified Public Accountant in Indiana (1987)
Indiana Society of CPA's
Eight years in private practice
Certified Public Accountant in Oregon (1990)

101 S.W. Main Street, Suite 1700
Portland, OR 97204

Telephone 503 224 9040
Telecopy 503 223 9081

Price Waterhouse

May 6, 1991

City Audit Proposal
City of Keizer
930 Chemawa Road, N.E.
Keizer, Oregon 97307-1000

Dear Sirs:

We appreciate the opportunity to propose for audit services to conduct the annual audit of the accounts and fiscal affairs of the City of Keizer. We regretfully decline to propose at this time. Please consider our firm for future requests for proposal.

Sincerely,

Nancy Horton
Nancy M. Horton

RESUMES OF PROFESSIONAL STAFF (Continued)

Carolyn J. Barker

Over five years' experience in auditing
Oregon Municipal Auditor Roster No. 3047CM
B. A. in Psychology, Westmont College, California;
Postgraduate Accounting, Oregon State University
Certified Public Accountant in Oregon (since 1977)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants
American Woman's Society of Certified Public Accountants

Helen B. Williams

Over fifteen years' experience in auditing
Oregon Municipal Auditor Roster No. 619
B. S. in Business Administration, University of Montana and Masters in Accounting, University of Arizona
Certified Public Accountant in Oregon (since 1969)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

Robert L. Norton, Jr.

Over ten years' experience in auditing
B. S. in Business Administration, University of Oregon
Certified Public Accountant in Oregon (since 1978)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants
Certified Public Accountant in Washington (since 1979)

Larry E. Grant

Over five years' experience in auditing
B. S. in Business Economics, Eastern Oregon State College
Certified Public Accountant in Oregon (since 1984)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

Donna L. Butler

Certificate from Merritt Davis College of Business
Certified Public Accountant in Oregon
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

Oren A. Hampton

B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

APPENDIX B

RESUMES OF PROFESSIONAL STAFF

We are committed to provide high quality accounting and auditing services to our clients. This is demonstrated by the many years of experience of our firm members. This allows us to efficiently staff our audit engagements to ensure that the engagement receives the proper blend of staff continuity and rotation.

Robert L. Boldt

Over twenty years' experience in auditing
Oregon Municipal Auditor Roster No. 505
B. S. in Business Administration, Oregon State University
Certified Public Accountant in Oregon (since 1961)
Oregon Society of CPA's (OSCPA)
Past Member of the Board of Directors of the OSCPA
American Institute of Certified Public Accountants

George E. Carlisle

Over twenty years' experience in auditing
Oregon Municipal Auditor Roster No. 512
B. A. in Economics, Willamette University
Certified Public Accountant in Oregon (since 1963)
Oregon Society of CPA's (OSCPA)
Past Member of the Board of Directors of the OSCPA
American Institute of Certified Public Accountants
Oregon Society of Certified Public Accountants Committee on Governmental Accounting and Auditing (past chairman)
Municipal Finance Officers Association (Oregon Chapter)

Larry A. Smith

Over twenty years' experience in auditing
Oregon Municipal Auditor Roster No. 516
B. S. in Business Administration, University of Oregon
Certified Public Accountant in Oregon (since 1961)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

George J. McVey

Over five years' experience in auditing
Oregon Municipal Auditor Roster No. 591
B. S. in Business Administration, Lewis & Clark College
Certified Public Accountant in Oregon (since 1968)
Oregon Society of CPA's (OSCPA)
American Institute of Certified Public Accountants

FEE PROPOSAL

The significant factors which influence the cost of professional services include measurement of the scope of services, planning and control of the engagement, and careful matching of the skills and experience levels of professional personnel with the requirements of the engagement. Based on our knowledge and experience in performing municipal audits in Oregon and our confidence in the abilities of your management and finance personnel, we propose the following fees for this engagement:

1990-91	$7,900
1991-92	8,200
1992-93	8,500

TECHNICAL REVIEW PROCEDURES

Our adopted firm approach to all phases of the audit is guided by material subjected to peer review and published by Practitioners Publishing Company. At Boldt, Carlisle & Smith, technical review encompasses the following:

Detailed Review: This work will be performed by the engagement manager, Douglas C. Parham. It includes a thorough review of all work papers, files, financial statements and reports prepared by fieldwork staff. This review will be done on-site at the city hall.

Partner Review: This work will be performed by the engagement partner, George E. Carlisle. Procedures performed include a review of selected work papers and audit programs; a thorough review of the financial statements, notes and additional information; review of legal and management representation letters and all auditor reports to be issued on the engagement. Partner review will occur in our office.

Independent Partner Review: Another partner, independent of this engagement will review selected documentation and the final draft of the comprehensive annual financial report. This review will be completed in our office.

APPROACH TO THE AUDIT

At Boldt, Carlisle & Smith our audit approach is one that has been developed in over *twenty* years of municipal and commercial auditing. Our audit strategies and work programs give proper attention to authoritative pronouncements which govern the conduct of all audits such as:

SAS #22 - PLANNING AND SUPERVISION
SAS #45 - SUBSTANTIVE TESTS PRIOR TO THE BALANCE SHEET DATE
SAS #47 - AUDIT RISK AND MATERIALITY IN CONDUCTING AN AUDIT
SAS #53 - THE AUDITOR'S RESPONSIBILITY TO DETECT AND REPORT ERRORS AND IRREGULARITIES
SAS #54 - ILLEGAL ACTS BY CLIENTS
SAS #55 - CONSIDERATION OF THE INTERNAL CONTROL STRUCTURE IN A FINANCIAL STATEMENT AUDIT
SAS #56 - ANALYTICAL PROCEDURES

and focus specifically on authoritative pronouncements that guide the conduct of governmental engagements such as:

AICPA Audit and Accounting Guide, Audits of State and Local Governmental Units

SAS #63 - Compliance Auditing Applicable to Governmental Entities and Other Recipients of Governmental Financial Assistance

Governmental Auditing Standards - Standards for Audits of Governmental Organizations, Programs, Activities and Functions

OMB Circular A-128 - Audits of State and Local Governments

OMB Circular A-102 - Grants and Cooperative Agreements With State and Local Governments

Compliance Supplement for Single Audits of State and Local Governments

Also, local requirements from the State of Oregon, Secretary of State, Division of Audits; and the Department of Revenue have helped to shape our audit programs which enable us to efficiently complete the requirements of the Minimum Standards for Audits of Oregon Municipal Corporations.

Our work plan for the audit of the CITY OF KEIZER is predicated on the expectation that the city staff shall close and balance all accounts and submit appropriate detailed trial balances, supporting schedules, and supporting documentation on a timely basis. We also understand that the city staff will provide assistance in locating supporting documents for transactions we select for sampling during our test of controls substantive tests of transactions or balances and be available to type confirmations and prepare them for mailing.

STAFF ASSIGNMENTS (Continued)

ESTIMATE OF TIME DEVOTED TO THIS ENGAGEMENT

Our work plan, as later outlined in this proposal, places an emphasis on thoroughness and efficiency and relies on our ability to work closely with city personnel in making efficient and effective use of the financial and management information systems of the city. Our initial estimate of the time commitment by our firm to complete this engagement is as follows:

Segment	Engagement Partner	Manager (Partner)	Audit Supervisor	Staff
Planning	5	5	5	
Interim work			24	24
Fieldwork		10	56	56
Draft reports	6	2	10	
Presentation	4	4		
Total	15	21	95	80

ENGAGEMENT MANAGER

Douglas C. Parham, CPA: Mr. Parham joined Boldt, Carlisle & Smith in 1977 and became a CPA in 1979. He has had a significant amount of government audit experience including school districts, cities and other governmental entities.

Government Auditing Experience

During the past three years, Mr. Parham has served as the firm's lead technical reviewer on municipal audit engagements. He also oversees the staffing and scheduling function on all municipal audit engagements. Mr. Parham has served as the audit supervisor on the following engagements during the past three years:

City of St. Helens
Mt. Angel School District No. 91
City of Cornelius
City of Keizer

Continuing Professional Education

1990	BCS	Accounting and Auditing Update
1990	OSCPA	Governmental Accounting and Auditing Conference
1989	BCS	Accounting and Municipal Auditing Update
1989	OSCPA	GAAP Update and Review
1989	OSCPA	Governmental Accounting and Auditing Conference
1988	BCS	Municipal Audit Update
1988	OSCPA	Governmental Accounting and Auditing Conference
1988	OSCPA	The New Auditor's Report

Memberships in Professional Organizations

American Institute of Certified Public Accountants (AICPA)
Oregon Society of Certified Public Accountants (OSCPA)
OSCPA Committee on Governmental Accounting and Auditing

GOVERNMENTAL AUDITING AND EXPERIENCE (Continued)

Some of the resource materials we subscribe to include:

- Guide to Governmental Audits (Practitioners Publishing Company)
- Minimum Standards for Audits of Oregon Municipal Corporations
- Single Audit Information Service (Thompson Publishing Group)
- Audits of State and Local Governmental Units (AICPA)
- Compliance Supplement for Single Audits of State and Local Governments (OMB)
- Catalog of Federal Domestic Assistance
- Audits of Governmental Organizations, Programs, Activities and Functions (The Yellow Book)

PROFESSIONAL DEVELOPMENT PROGRAM

Boldt, Carlisle & Smith is dedicated to the continual professional development of its entire staff. All certified public accountants attend courses covering accounting, auditing, tax and other pertinent topics. Other accounting staff also attend professionally sponsored courses. Our eleven municipal auditors attend courses consistent with the state and federal requirements for licensing and performing Single Audits.

Boldt, Carlisle & Smith has a long standing, firm-wide commitment to governmental accounting and auditing. Towards this commitment, the firm has dedicated resources to professionally develop and educate its entire accounting staff as evidenced by:

-Annual attendance at the OSCPA's Governmental Accounting and Auditing Conference

-Participation by two key individuals on the OSCPA's Governmental Accounting and Auditing Committee

-Annual Firm-sponsored education day devoted to municipal auditing concepts and procedures

-Participation in the State Board of Accountancy's Standards Enforcement Program to review municipal audit reports completed by licensed practitioners throughout Oregon

-Maintenance of a comprehensive professional library including:

Oregon Revised Statutes
Single Audit Information Service
  (Thompson Publishing Group)
Catalog of Federal Domestic Assistance (OMB)
Compliance Supplement for Single Audits of
  State and Local Governments (OMB)
*Guide to Audits of Local Governments
  (Practitioners Publishing Company)
Audits of State and Local Governments (AICPA)
Governmental Auditing Standards (GAO)
Comprehensive Government GAAP (Miller)
Codification of GASB
GASB Pronouncements
GASB Newsletter

*Includes checklists for compliance with GFOA certificate program.

PROFILE OF BOLDT, CARLISLE & SMITH

SCOPE OF PRACTICE

Boldt, Carlisle & Smith is a local certified public accounting firm which began business in 1968 and was founded by the following individuals:

Robert L. Boldt, CPA
George E. Carlisle, CPA
Larry A. Smith, CPA

The firm's steady growth throughout its two decades of service has been derived entirely from internal expansion. Our dedication to providing quality service and personalized attention to each client has resulted in this growth and enabled the admission of George J. McVey, William L. Johnson, F. H. (Rick) Stinchfield, Peter L. Whitney, and Douglas C. Parham, as partners.

The firm serves over ***two thousand*** clients in the Willamette Valley and other locations in Oregon.

OFFICE ADDRESSES

Salem

Fir Grove Building, Suite D
2001 Front St., N. E.
Salem, OR 97303-6691
(503) 585-7751
FAX (503) 370-3781

Stayton

408 North Third Ave.
Stayton, OR 97383-1728
(503) 769-2186
(503) 363-2678
FAX (503) 769-4312

PEER REVIEW

Boldt, Carlisle & Smith has successfully completed an independent peer review of its accounting and auditing practice. The reviewers concluded, in their report dated May 31, 1990, that the firm complies with the stringent quality control standards set by the American Institute of Certified Public Accountants, the national professional organization of CPA's. The reviewers made an independent assessment of the firm's quality control policies and procedures and inspected the working papers and reports on a representative sample of accounting and auditing engagements. They also inspected the firm's administrative files and records and interviewed professional personnel. The reviewers' report has been accepted by the AICPA.

In evaluating a firm's quality controls, a peer reviewer considers, among other things, what the firm has done to ensure that it hires only quality people, that it properly supervises them and provides them with professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources.

PROPOSAL FOR
Audit Services for

CITY OF KEIZER
Keizer, Oregon

Years Ending June 30, 1991-93

-oOo-

PROPOSAL FOR AUDITING SERVICES

Prepared for City of Keizer
For the Fiscal Years Ending
June 30, 1991 through June 30, 1993

Prepared by
Harris & Eide, CPA's
991 Liberty Street S.
P.O. Box 471
Salem, OR 97308

Telephone: (503) 362-8644
Fax: (503) 371-2269

Contact: Donald K. Harris, CPA

HARRIS & EIDE

CERTIFIED PUBLIC ACCOUNTANTS

991 Liberty Street S.E. • (503) 362-8644
P. O. Box 471 • Salem, Oregon 97308

Donald K. Harris, CPA
Gregory M. Eide, CPA

May 6, 1991

Mr. Donald H. Olterman, M.S.PA
City Manager
City of Keizer
930 Chemawa Road N.E.
Keizer, Oregon 97307-1000

Dear Mr. Olterman:

We are pleased to submit our proposal for audit services for the City of Keizer for the fiscal years ending June 30, 1991 through June 30, 1993.

If during your review of our proposal you have any questions or would like any additional information we would be happy to comply. Just telephone us at the number listed above.

We feel we are well qualified to provide these services and look forward to meeting with you to discuss our qualifications further.

Thank you for the opportunity to submit our proposal.

Sincerely,

Harris & Eide
Certified Public Accountants

Donald K. Harris

Donald K. Harris, CPA

10. Special Cities Allotment Grants administered by the State of Oregon to assist cities with infrastructure projects such as sewer/water lines, streets, and street lighting.

All of our municipal audits are conducted in accordance with State of Oregon Minimum Requirements for Audits of Oregon Municipal Corporations. Audit objectives completed when we review grant programs include:

A. Grant revenues and expenditures charged to grants are valid and complete and, if applicable, indirect costs are allocated properly.

B. Grants are administered, and grant revenues and expenditures are recorded, in accordance with grant provisions and related laws and regulations.

C. Grant related amounts are properly presented in the combined financial statements, and related disclosures concerning restrictions and compliance are adequate.

Additionally, where required, Single Audit Act of 1984 procedures are applied as specified in the American Institute of Certified Public Accountants publication "Audits of State and Local Governmental Units", United States General Accounting Office publication "Governmental Auditing Standards" also known as the Yellow Book, and Office Management and Budget Circular A-128.

We have conducted financial audits for many organizations including:

City of Hubbard
P.O. Box 380
Hubbard, OR 97032
(503) 981-9633
Contact: Arnold Evans, City Recorder

City of Molalla
P.O. Box 248
Molalla, OR 97038
(503) 820-6855
Contact: Stacy Reeves, City Administrator

City of Monmouth
151 W. Main
Monmouth, OR 97361
(503) 838-0722
Contact: Joan Howard, City Recorder

Firm Size and Organizational Structure

Our firm has been in business for over seven years providing accounting, auditing and tax services. Our office is located at 991 Liberty Street S. in Salem, Oregon.

The organizational chart consists of two partners, five accountants and one support staff person.

We are qualified to conduct audits as the two partners are Certified Public Accountants and the partner in charge of audits is licensed to conduct municipal audits in the State of Oregon, as well as having served on the Oregon Society of Certified Public Accountants Governmental Accounting and Auditing Committee. Additionally, the partner and accountant who conduct audits comply with the federal requirements of 80 hours of continuing education biannually, with 20 hours being specifically related to municipal audit issues.

The make up of the audit team has not changed over the past four years and no changes are anticipated. The partner in charge will be Donald K. Harris. The senior auditor will be Gayle A. Wilson.

Resumes of Staff Members Performing Audit Related Services

Gayle A. Wilson - Accountant, continued

Moving back to Oregon and settling in the Willamette Valley she became controller for the Oregon Forest Products Transportation Association responsible for the financial operation of the Association and four related entities including a Health Care Benefits Trust.

Upon joining our firm she became very involved in the development of the audit department. During this past year she has been successful in computerizing the audit process for all existing audit clients. We have purchased a portable computer that allows her to continue to streamline the audit process , to test transactions on-site and to customize audit programs to fit each clients specific needs.

Ms. Wilson would be the senior auditor and would conduct on-site field work under the supervision of the partner in charge. She anticipates 100 hours of on-site testing and field work.

Audit program

General Procedures

Audit Objectives

E. The annual operating budget, and amendments thereto, are properly prepared, documented, and approved.

F. Budgetary comparisons are properly included in the appropriate financial statements and schedules of governmental funds for which an annual budget has been adopted.

G. There has been search for and evaluation of (1) commitments and contingencies, including circularization of legal counsel, (2) subsequent events, and (3) related party transactions, and these matters are adequately disclosed or recorded in the financial statements, if appropriate.

H. Written representations have been obtained from responsible administrators.

I. Misstatements discovered during the audit have been evaluated.

J. Financial statements are presented in accordance with GAAP.

K. The effect on the auditor's report of GAAP departures, scope limitations, uncertainties, other auditors, or other matters has been evaluated.

L. Reportable conditions on internal control structures, irregularities or illegal acts, and other matters related to the conduct of the audit have been communicated to the appropriate parties.

M. Staff assistants have been properly supervised.

N. Audit workpapers and the resulting financial statements have been reviewed in accordance with firm policies.

O. The firm's quality control procedures for independence, client acceptance and continuation, personnel assignment, consultation, and supervision have been adhered to.

Audit program	**Audit Objectives**
Investments	
	A. Investment balances by fund type are evidenced by securities or other appropriate legal documents either physically on hand or held in safekeeping by others and include all the governmental unit's investments.
	B. Investments are of the types authorized by law, contract, and the investment policy of the governmental unit.
	C. Investment values, income, gains or losses are stated correctly and allocated properly to funds.
	D. Investments are properly described and classified by fund type in the combined balance sheet, and related disclosures, including restrictions and commitments, are adequate.
Revenue, Receivables and Receipts	
	A. Only revenues that are available and measurable in this fiscal period have been recorded, and amounts uncollected at the end of the period presented as receivable are valid.
	B. All revenues that are available and measurable in this fiscal period have been recorded.
	C. The governmental unit has satisfied the relevant legal requirements to receive all revenues recorded.
	D. Revenues have been billed or charged and recorded at the correct amount, and receivables are stated at the net realizable amount.
	E. Revenues and receivables are properly classified by fund type in the financial statements, and related disclosures are adequate.

Audit program **Audit Objectives**

Inventories

A. Inventory recorded represents a complete listing of materials and supplies owned by the governmental unit, and such assets are physically on hand.

B. Inventory listings are accurately priced, extended, footed and summarized, and the totals are properly recorded in the accounts by fund type.

C. Inventory is properly classified by fund type in the combined balance sheet, and disclosure is made of the related entity reserve if appropriate.

Property, Equipment
& Capital Expenditures

A. Property and equipment in the general fixed assets account group and proprietary funds represent a complete and valid listing of the capitalizable cost of assets purchased, constructed, or leased and physically on hand.

B. Capital expenditures represent a complete and valid listing of the capitalizable cost by each acquiring fund and equipment acquired during the period, and capitalizable costs are excluded from repair and maintenance and similar expenditure accounts.

C. Capitalized costs and, if applicable, related depreciation associated with all sold, abandoned, damaged, or obsolete fixed assets have been removed from the accounts.

D. Depreciation charged on fixed assets of proprietary funds and, if applicable, of grant programs has been computed on an acceptable basis consistent with that used in prior periods, and related allowance accounts are reasonable, considering expected useful lives and salvage value.

E. Capital expenditures and fixed assets are properly classified by fund type or account group in the combined financial statements, and related disclosures are adequate.

Approach and General Nature of Letter of Recommendation

In planning and performing our audit, we may become aware of matter involving the internal control structure that we believe management should be made aware of.

During the audit process the auditor will complete a reportable control condition and management point development worksheet for each potential management condition encountered. The worksheet will include the following information:

1. A description of the condition.
2. Reason improvement may be necessary.
3. Cause of condition.
4. Effect of condition.
5. Auditor recommendation.
6. Cost/Benefits of recommended action.
7. Client response.

A summary of conditions encountered will be drafted and forwarded to management for their review.

Proposed Fees

Our fixed fee for these auditing services will be $9,350 for 1990-91, $9,700 for 1991-92, and $10,000 for 1992-93.

The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

If City requires additional auditing or accounting work not specified in the original request for proposal our hourly rates range from $28 to $100 depending on level of expertise required.

Audit program	**Audit Objectives**
Debt & Debt Service Expenditures	A. Debt is authorized and recorded in the proper fund type or account group.
	B. All indebtedness of the governmental unit is identified, recorded, and disclosed.
	C. The governmental unit has complied with provisions of indentures and agreements related to debt, including provisions on use of proceeds.
	D. Debt services expenditures (principal and interest payable) are properly recorded, classified, and disclosed.
	E. Debt and related restrictions, guarantees, and commitments are properly presented in the combined financial statements, and related disclosures are adequate.
Fund Equities	A. All and only properly authori [illegible] reservations and designations of fu[illegible] balances are recorded.
	B. Components of fund balances are determined in accordance with state and local regulations and requirements.
	C. Components of fund balances and changes in fund balances are properly computed and are described, classified, and disclosed appropriately in the combined financial statements.
Grant & Similar Programs	A. Grant revenues and expenditures charged to grants are valid and complete and, if applicable, indirect costs are allocated properly.
	B. Grants are administered, and grant revenues and expenditures are recorded, in accordance with grant provisions and related laws and regulations.
	C. Grant related amounts are properly present[illegible] in the combined financial statements and related disclosures concerning restrictions and compliance are adequate.

Audit program	Audit Objectives
Expenditures for Goods & Services and Accounts Payable	A. Recorded expenditures and cash disbursements are for goods or services authorized and received. B. Expenditures incurred for goods or services and related accounts payable have all been identified. C. Expenditures for goods or services are authorized and in accordance with the budget and other regulations or requirements. D. Expenditures for goods or services and related disbursements and liabilities have been recorded correctly as to account, fund, budget category, period, and amount. E. Expenditures for goods or services and related liabilities are properly presented by fund type and budget category and related disclosures are adequate.
Payroll and Related Liabilities	A. Payroll (wages, salaries and benefits) disbursements are made only for work authorized and performed. B. Payroll is computed using rates and other factors in accordance with contracts and relevant laws and regulations. C. Payroll and related liabilities are recorded correctly as to amount and period, and distributed properly by account, fund, and budget category, and disclosures are adequate.

Audit program	Audit Objectives
Minutes, Contracts, Ordinances & Laws	
	A. Matters that may materially affect the combined financial statements in minutes, contracts, ordinances, or laws have been identified.
	B. Such matters that do materially affect the financial statements are adequately disclosed and considered in the audit program for the area affected.
Cash	
	A. Cash in the combined balance sheet is on hand, in transit, or in deposits with third parties (depositories) in the name of the governmental unit.
	B. All cash of the governmental unit is included in the combined balance sheet.
	C. Depositories are legally acceptable; adequate collateral has been pledged [illegible] depositories for the governmental unit[illegible] deposits; and separate depository accounts are maintained for each fund where required.
	D. Cash balances reflect a proper cutoff of receipts and disbursements and are stated at the correct amount.
	E. Cash balances are presented properly by fund type, restricted cash is presented separately by fund type, and related disclosures are adequate.

Statement of Understanding of Audit Work to be Performed

Harris & Eide understands that the City of Keizer is contracting for the following audit services:

A. An audit of the accounts and fiscal affairs of the City of Keizer for the fiscal years ending June 30, 1991 through June 30, 1993, to be conducted in accordance with the State of Oregon Minimum Requirements for Audits of Oregon Municipal Corporations (ORS Chapter 297.630, et seq. [1983]).

B. The audit will be performed in accordance with "generally accepted audit standards". "Generally accepted audit standards" means audit standards issued by the U.S. General Accounting Office entitled, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions," which incorporates the audit standards established by the American Institute of Certified Public Accountants.

C. A letter of recommendation is to accompany each audit report and will cover such areas as internal control, accounting practices and procedures to assist the City in making continued improvements to the financial system.

The following time schedule is anticipated for the first year:

Preliminary planning	July 1991
Field work/Test of transactions	July - Sept. 1991
Draft & issue reports	October 1991

Audit programs to be undertaken to meet above specifications include:

Audit program	Audit Objectives
General Procedures	
	A. The audit has been properly planned.
	B. Consideration has been given to the need for a Single Audit or a financial audit in accordance with GAO audit standards and reports required for such audits.
	C. Schedules prepared by government personnel for audit use are clerically accurate.
	D. The governmental unit's accounting records are clerically accurate.

Resumes of Staff Members Performing Audit Related Services

Donald K. Harris - Partner

Mr. Harris started the firm along with his partner Greg Eide in 1983. Since that time he has supervised and conducted over 75 audits.

He attended Seattle Pacific University and Portland State University where he graduated in Business/Accounting in 1977. He was certified as a public accountant in 1981. His license number is 3721. He is also licensed to conduct municipal audits. His municipal license number is 0803.

Prior to starting his own firm, Mr. Harris was a partner/staff accountant for Brenner & Company from August 1974 to November 1983.

With over 17 years of audit, accounting and tax experience, Mr. Harris is well qualified to conduct audits of municipalities, for profit entities and non-profit organizations.

Professional development seminars recently attended include:

Governmental Accounting & Audit Update
Governmental Accounting & Auditing Conference

Additionally, Mr. Harris served on the Oregon Society of Certifie[illegible] Public Accountants Governmental Accounting and Auditing Committee.

Mr. Harris is an active member of the Oregon Society of Public Accountants and the American Institute of Certified Public Accountants.

Mr. Harris would be the partner is charge and would oversee the audit. He anticipates 25 hours of on-site supervision and review.

Gayle A. Wilson - Accountant

Ms. Wilson has been with the firm since 1986. During her tenure she has conducted over 50 audits of municipalities, profit entities and non-profit organizations.

She recently attended an Oregon Society of Certified Public Accountants seminar on the 1988 Yellow Book Government Auditing Standards.

Ms. Wilson has over 17 years of accounting experience. Prior to joining our firm, she worked at East Central Oregon Association of Counties where she became familiar with regulations and reporting requirements for programs under the Comprehensive Training and Employment Act, as well as Summer Youth Employment programs.

From Eastern Oregon she moved on to Phoenix, Arizona to become t[illegible] controller for the Arizona Hospital Association. She was responsible f[illegible] the financial operations of a consortium of 20 hospitals with an annual budget exceeding 3 million dollars.

City of Mt. Angel
P.O. Box 960
Mt. Angel, OR 97362
(503) 845-9291
Contact: Richard VanOrman, City Administrator

Polk County Fire District
1800 Monmouth St.
Independence, OR 97351
(503) 838-1510
Contact: Richard Hopkins, Fire Chief

Salem Metropolitan Communications Agency
300 Cordon Road N.E.
Salem, OR 97301
(503) 588-6509
Contact: Rod Kirk, Executive Director

Oregon People's Utility District
1176 Chemeketa St. N.E., Ste 101
Salem, OR 97301
(503) 370-4413
Contact: Ruth Morgan

Woodburn Rural Fire District
1776 Newberg Hwy.
Woodburn, OR 97071
(503) 982-2360
Contact: Keith Woodley

City of Woodburn
270 Montgomery Street
Woodburn, OR 97071
(503) 982-5222
Contact: Nancy Gritta, Finance Director

Firm Background and Experience

At Harris & Eide, CPA's we continually strive to build our audit practice. During the 7 years we've been in business we have performed over 75 audits of profit businesses, municipalities and non-profit organizations.

Additionally, we have audited numerous federal, state, county and locally funded programs administered by clients including:

1. Department of Housing & Urban Development Housing Rehabilitation Grants administered by the State of Oregon Economic Development Department, Community Development Division, providing housing rehabilitation funds.
2. Federal Highway Administration Driving Under the Influence of Intoxicants Enforcement Programs administered through Oregon Traffic Safety Commission, providing programs to assist police departments with DUII issues.
3. U.S. Department of Transportation Annual Operating Assistance Grants administered through Oregon Department of Transportation, providing funds to operate mass transit systems.
4. Retired Senior Citizens Volunteer Programs administered by Acti[illegible] Region X, providing funds to operate RSVP programs.
5. Title III B Grant Funds administered through Clackamas County Department of Human Services Community Action Agency, Area Agency on Aging, providing funds to operate senior citizen centers.
6. Department of Land Conservation Development Commission Planning Grants administered by Department of Land Conservation Development, providing funds to complete and update land use plans.
7. Street Allotment Grants administered by State Highway Division, providing funds for construction and/or repair of streets.
8. Chemeketa Regional Library Grant administered by Chemeketa Community College Regional Library Services providing library services to rural areas.
9. Community Development Grants administered by Oregon Department of Economic Development Community Development Division providing water and waste water treatment facilities construction or rehabilitation and construction or rehabilitation of community centers.

City of Keizer
Proposal

Table of Contents

CITY OF KEIZER

AUDIT PROPOSAL

PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS
TIGARD, OREGON 97223

PAULY, ROGERS and Co., P.C.
P.O. BOX 23684 • 12700 S.W. 72nd
TIGARD, OREGON 97223 • (503) 620-2632

CERTIFIED PUBLIC ACCOUNTANTS

SHERMAN R. PAULY
ROY R. ROGERS
DALE R. LECKEY
KARLA J. LENOX
SUSAN S. BECHTOL

May 8, 1991

Donald H. Otterman, City Manager
The City of Keizer
P.O. Box 21000
Keizer, OR 97307

Thank you for the opportunity to present our qualifications to serve as auditors for The City of Keizer for the 1990-91, 1991-92, and 1992-93 fiscal years. You will find a copy of our proposal enclosed which provides the information you have requested and other information about our firm and its services which we feel is important to you in your selection process.

We are confident our firm has the ability to provide the professional accounting services you require. We have the desire and capability to serve the City well, and we would be responsive to your problems and needs. We believe in giving our clients value for the fees we earn and believe the reasonableness of our fees reflects our commitment to this principle.

If we can answer any more questions regarding our proposal, please feel free to contact us.

PAULY, ROGERS AND CO., P.C.

BY:
Roy R. Rogers, Shareholder

I. SUMMARY OF BID PROPOSAL

II. FIRM AND STAFF TECHNICAL QUALIFICATIONS

Roy R. Rogers, CPA - Partner

Roy R. Rogers is a graduate of Portland State University with a Bachelor of Science degree. He has been with the firm since 1971 and, since that time, has been involved in over 640 Oregon municipal audits.

Roy has experience handling all types of municipal audits, and currently his work includes field work, report preparation, and final reviews. He worked on CAFR's for eight school districts in 1990. Five of the CAFR's were submitted to GFOA and ASBO for certificates of Conformance/Excellence. Roy is also a panel review member for ASBO.

Roy is currently a Commissioner for Washington County after serving 7-1/2 years as the Mayor of the City of Tualatin. He is past chairman of the Oregon Society of Certified Public Accountants Committees on Management of an Accounting Practice, of the Society's Report Review Committee, and the Legislative Policy Committee. He currently serves on the OSCPA executive board of directors. Roy also serves as Quality Review Captain for the OSCPA. In addition, Roy is a member of the American Institute of Certified Public Accountants, the Oregon Society of Certified Public Accountants, the Oregon Association of School Business Officials, and is on the Oregon roster of accountants authorized to conduct municipal audits.

Roy has taught seminars on municipal auditing and school district auditing in Oregon, including "Oregon Municipal Audits", and the "Governmental Accounting and Auditing Seminar". In May, 1985, Roy co-authored and taught the Oregon Society's continuing professional education "Advanced Governmental Accounting and Auditing" seminar.

As the partner-in-charge of the engagement, Roy will direct the audit planning and the development of an audit program that will fulfill all professional standards, Oregon Minimum Standards and any Federal Audit Requirements applicable to the City. During the field work and reporting phases, Roy will manage the significant segments of the audit and review all workpapers, documents and financial statements.

Karla J. Lenox, CPA - Manager

Karla J. Lenox graduated from Oregon State University with a Bachelor of Science degree. She has worked for Pauly, Rogers & Co., P.C. for nine years and is a member of both the AICPA and OSCPA.

Karla has considerable experience in municipal auditing in Oregon. She has worked on over 300 municipal audits. Karla would be available for assistance as needed by the senior accountants assigned to your audit.

Karla regularly completes continuing education in governmental accounting and auditing and is scheduled for additional hours in June 1991.

Tim Belanger - CPA - Senior Accountant

Tim graduated from Portland State University obtaining a Bachelor of Science degree with emphasis in accounting. After graduation he worked in private business as an accountant. Tim has worked on over 50 municipal audits, since coming to Pauly, Rogers and Co., P.C. and is currently the "in-charge" accountant on 20 municipal audits including two cities.

He has regularly taken continuing education courses in municipal auditing.

Jan Winthrop - Staff

Jan attended the University of New Hampshire and obtained a degree in accounting from Portland Community College. She has extensive municipal experience having worked on ninety-two municipal audits. Jan has taken continuing education courses and is capable of performing all functions of an audit.

All of our municipal audits are conducted in accordance with generally accepted auditing standards (GAAS), the minimum standards for audits of Oregon municipal corporations, and the standards prescribed in generally accepted government auditing standards (GAGAS). The audit will also be conducted in compliance with Federal Audit Requirements of the Single Audit Act of 1984 (OMB Circular A-128) if future receipts of federal financial assistance occur.

Our audit will include all funds of the City.

The purpose of our audit will be:

1. To determine whether the City's financial statements present fairly its financial position and results of operations in conformity with generally accepted accounting principles.

2. To determine whether the City has complied with State and Federal laws, regulations and other contractual provisions that may have a material effect on the audited financial statements.

To help provide timely audit reports, we normally perform interim work during the last six months of the fiscal year. At this time, we perform a review of the accounting records in use and conduct an evaluation of internal control as required by generally accepted auditing standards. Any deficiencies encountered in the accounting records or internal control together with our recommendations will be discussed with management at that time. This procedure may permit implementation of corrective action prior to issuance of the audit report and management letter.

IV. STAFF ASSIGNMENTS

V. PROPOSED AUDIT SCHEDULE

The fees to perform your audit for the year ended June 30, 1991 would be as follows:

General Audit Report	$8,100

This is based on anticipated cooperation of your personnel and the assumption that the City's books will be balanced, reconciled, closed and basic financial statements prepared so that we can reach report deadlines.

The fee for the ensuing year would be locked at the first year amount. Fees for years thereafter would be based on the above amount plus inflation.

This fee will cover the audit, clerical time, management letter and all out-of- pocket expenses. Pauly, Rogers and Co., P.C. also holds an open phone policy as one of its trademarks. A great deal of discussion is expected to occur during the year, all of which helps the City deal with current issues. Such assistance is included in the stated fee.

In the event of a major subject requiring extensive tax research or audit work, the City would be notified in advance that the time would be billed separately.

Fees for other services outside the scope of the audit, including management advisory services, would be charged at the following rates:

Partners	$ 72
Manager	66
Senior Accountant	46
Staff	34 - 42
Clerical/Word Processor	29

During its history the firm has been involved in numerous management service engagements. Such engagements have included:

- cash flow analysis,
- computer installation and performance evaluations,
- efficiency studies,
- staff selection
- development of various management information systems and schedules,
- payroll and income tax reviews,
- cost accounting and recovery systems,
- accounting seminars and presentations,
- business and financial plans,
- computer operations training,
- accounting system development,
- accounting policy manual development,
- review and application of state budget laws, and
- comprehensive financial statement presentation and drafting.

In addition to the services mentioned above, our firm is capable of providing many other services you may find useful. Some of those used by our clients include:

- Assistance in preparation of comprehensive annual financial reports for evaluation for GFOA and ASBO Certifications of Conformance/Excellence.
- Assistance in the preparation of official statements covering the sale of bonds.
- Assistance in preparation of the annual Moody's report for bond rating.

Recent (Last 3 years) examples of this type of work are:

- installation of a computer system for a not for profit engagement
- training of non-profit personnel on usage of its computer system
- two studies pertaining to its computer system for a college
- assistance in hiring accounting personnel for a school district
- research projects for 5 school districts regarding payroll tax concerns
- evaluation of its cost recovery system for a nonprofit corporation
- development of business strategies for over 20 businesses
- review of accounting policy manual for 2 school districts
- consultations with over 40 municipal governments concerning various aspects of the Oregon Local Budget Law
- consultation and assistance with preparing comprehensive annual financial reports for over 10 school districts
- made presentations to the administrative staffs of 2 school districts regarding selected accounting issues.
- conducted seminar for a school district budget committee on the auditing process.
- cash flow analysis for several businesses and projection of ending fund balance for 3 school districts
- the development of enhanced internal control systems in several school districts

VIII. AUDITING REFERENCES AND SUMMARY

In summary, we feel confident our firm has the ability to provide the professional service the City requires. We have a good relationship with our other municipal clients and we hope you will feel free to call them regarding our services. A list of Cities and other municipal clients we are currently serving is as follows:

The City of Durham - Roger Gano, City Admin./Recorder	639-6851
The City of King City - Lenore Akerson, City Manager	639-4082
The City of Maywood Park - Dorothy Swanson, Treasurer	255-9805
The City of Sherwood - Jim Rapp, City Manager	625-5522
Sherwood School District No. 88J - Bonnie Maplethorpe, Deputy Clerk	625-2511
Sweet Home School District No. ADM 55 - Erland Erickson, Business Manager	367-6111
Tigard-Tualatin School District No. 23J - Sam Brugatto, Director of Accounting	620-1620
Centennial School District No. 20JT - Al Hilliar, Asst. Superintendent	760-7990
Hillsboro Elementary School District No. 7 - Marge Post, Business Manager	648-1126
Parkrose School District No. 3 - Ron Zook, Superintendent	257-5240
Scappoose School District No. 1J - Jack Blair, Superintendent	543-6374
Vernonia School District No. 47J - Betty Mueller, Business Manager	429-5891
Washington County ESD - Lee Christianson, Superintendent	645-4242

We have served all of the above municipalities for more than three years.

We can furnish additional references if needed.

We are very interested in the audit engagement and hope we can be of service to you. If you have any further questions, please feel free to call.

We also have frequent contact with the State Division of Audits and Department of Revenue. We can contact them for the City if the need arises.

Special services would be managed by Roy Rogers and assigned to the staff member with the greatest expertise in the relevant area. If the need for actuarial services arises, we are associated with National Associates Inc. This firm specializes in pension and actuarial work and is conveniently located in the Portland area. They are noted experts in their field with a staff that includes CPA's, attorneys and actuaries.

VII. SERVICES PROVIDED BY OUR FIRM

Assuming final approval of our firm as auditors in May, we would propose the following audit schedule:

1. The initial audit planning meeting with the City's Manager could be held sometime in late May or early June.
2. The audit program would be developed immediately following the planning meeting.
3. Interim work could be performed through the end of June.
4. Final audit field work would be completed during the period of July 8th through September 20th.
5. The final reports would be delivered to the City by November 15.

Roy R. Rogers would be the partner-in-charge of your engagement. He would be directly involved in managing and performing all aspects of the audit. Sherman R. Pauly would act as a review partner on the engagement. We have found this review procedur essential in providing quality audit reports for our clients. Rick Larson would be the senior accountant-in-charge of field work on your engagement.

All staff accountants assigned to your audit would be supervised at all times by Roy or Rick. All members of the audit team would have experience in auditing cities.

The percentage of time each person would spend on the audit would include:

Roy Rogers	20%
Sherm Pauly	5
Rick Larson	55
Other Staff	20
	100%

Our firm's policy is to <u>not rotate</u> auditors from job to job unless absolutely necessary or requested by the client. We feel the continuity of personnel on an engagement provides more open communication between auditor and client and efficiencies on the actual performance of the audit.

Our firm employs analytical review and statistical sampling in the testing of accounting and internal control systems for first year audit clients. For continuing clients, we use analytical review and judgementally determine sample size and randomly select our sample. If we encounter a potential deficiency, a new sample is drawn, testing only the area of possible deficiency.

Pauly, Rogers and Co., P.C. has extensive experience in auditing computerized accounting systems. We have experience in auditing the Springbrook System currently used by the City. Our firm audits the City of Sherwood which also uses the Springbrook System. We have extensive relevant experience with the records and reports produced by this system, as well as other computerized accounting systems.

Since our regular audit staff is very experienced in working with computer systems, the use of specialists is rarely needed, but are engaged if the need arises.

An important result of the audit is our management letter. Suggestions for improving accounting records and internal control are discussed with management as they are encountered. We will do this in an attempt to provide the City with time to develop and implement corrective action prior to issuance of the audit report. In addition, all of our management letter comments will be reviewed with the City in the City's offices at the completion of field work. This will provide management an opportunity to respond to the management letter prior to its issuance.

III. AUDIT OBJECTIVES AND SCOPE OF SERVICES

Rick Larson, CPA - Senior Accountant

Rick graduated from the University of Oregon with a Bachelor of Science Degree in business and liberal arts. He attended Portland State University and completed an accounting major. He began his employment with Pauly, Rogers and Co., P.C. after ten years with Beaverton School District.

Rick has considerable experience in municipal auditing in Oregon. He has worked on over 100 municipal audits and he is currently the "in-charge" accountant for 11 municipal audits.

Rick has completed 54 hours of continuing education in governmental accounting and auditing in the past eighteen months and is scheduled for eight additional hours in June 1991.

Rick will be the interface with the City during the audit and will be available for consultation. City requested assistance is usually provided by the in-charge accountant. All communications with City staff will be directed through Roy or Rick to ensure that interruptions of your personnel are kept to an absolute minimum.

If the City requests us to prepare financial statements, notes to financial statements or other schedules, they would be prepared by Rick and reviewed by Roy. After interim compliance work and again at the conclusion of field work, Rick will review any adjusting journal entries, weaknesses in internal accounting controls, or other issues with the City Manager.

Sherman R. Pauly, CPA - Partner

Sherman R. Pauly graduated from Lewis & Clark College with a Bachelor of Science Degree. He has been involved in over 690 Oregon municipal audits since 1966.

Sherm has experience handling all types of municipal audits including, school districts, education service districts, community colleges, cities, and counties. He is currently working on audits doing field work, report preparation, and final reviews. His review work has included reports being submitted for GFOA/ASBO Certificates of Conformance/Excellence.

Sherm is on the Oregon roster of accountants authorized to conduct municipal audits. He is a member of the American Institute of Certified Public Accountants, the Oregon Society of Certified Public Accountants, and the Oregon Association of School Business Officials. He is also past chairman and current vice-chairman of the Oregon Society's Committee on Governmental Accounting and Auditing.

Sherm attends the annual local government accounting and audit conference sponsored by the Oregon Society of CPA's during the past three years. He was the 1989 chairman of the Seminar and attends single audit seminars when needed.

Sherm has taught at seminars on municipal and school district accounting sponsored by the Oregon Society including "Oregon Municipal Audits", and the "Governmental Accounting and Auditing Seminar".

Pauly, Rogers and Co., P.C. is a Certified Public Accounting firm located in Tigard, Oregon. Our staff size is currently sixteen. Two members are on the Oregon State Board of Accountancy roster of municipal accountants authorized to conduct municipal audits. The firm has membership in GFOA.

Pauly, Rogers and Co., P.C. has a 40 year history of specialized experience in the municipal audit area. This experience is evidenced by the large number of local governmental clients we service. Our experience includes:

1. Developing of comprehensive annual financial reports that are suitable for presentation to GFOA or ASBO for Certificates of Conformance/Excellence.

2. Financial and compliance audits of federal financial aid as defined by the U.S. General Accounting Office.

3. General consultation regarding accounting, budget law and other matters.

4. Special services as mentioned in Part VII of this proposal.

Although the Firm places heavy emphasis on the municipal auditing area, we also believe diversification is important. Other services provided by our firm include the areas of individual and corporate taxation, financial statements, business accounting, and management advisory services.

Some credentials of the key audit members and their history with the firm are included in the following pages for your review.

CITY OF KEIZER

SUMMARY OF BID PROPOSAL

A. $8,100 total cost

- No price increase for the second year.
- Increase for 1992-93 based on inflationary factors

B. Firm is readily accessible and quickly responsive to the City's needs.

C. An experienced audit team that does not need to be trained by City personnel.

D. Extensive municipal experience and expertise.

E. Open phone policy which allows a great deal of discussion and consultation during the year at no additional charge.

TABLE OF CONTENTS

5

PROPOSAL OF SERVICES FOR CITY OF KEIZER

May 10, 1991

YERGEN AND MEYER
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, THE CONTINENTAL ASSOCIATION OF CPA FIRMS, INC., OREGON SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
4640 S.W. MACADAM AVE. ☐ P.O. BOX 69509 ☐ PORTLAND, OREGON 97201 ☐ (503) 295-1288 ☐ FAX (503) 295-1299
OFFICES PORTLAND, MEDFORD, ASTORIA, PENDLETON, COOS BAY, EUGENE/SPRINGFIELD, CHEHALIS, BELLEVUE

PROPOSAL OF SERVICES FOR
CITY OF KEIZER

May 10, 1991

INTRODUCTION

It is our firm policy to issue a Management Recommendation Letter. This letter will contain any observations and suggestions for improvement of existing systems of internal accounting control, accounting policies and procedures, and other related matters that come to our attention during the course of our engagement.

OBJECTIVES AND DETAILS OF THE AUDIT

Our objective will be to perform an examination of the financial statements of the City of Keizer. Our examination will be conducted in accordance with generally accepted auditing standards. The audit will include a review of internal controls and accounting procedures in effect, and such tests of transactions and other auditing procedures that we consider necessary.

We have included as a separate attachment details of the audit that would be conducted by Yergen and Meyer of the City of Keizer, as well as information about our firm and staff.

FEE PROPOSAL

Our fee proposal has also been drawn up as a separate attachment to this letter, marked "Proposed Fee."

CONCLUSION

We are very pleased that you have given us the opportunity to present this proposal. Yergen and Meyer has the manpower, expertise, resources and location to perform our services in a creative, constructive, economical and timely manner.

We enthusiastically anticipate a continued relationship with the City Council and staff of the City of Keizer.

Very truly yours,

YERGEN AND MEYER

Harry N. Kyllo
Partner

TECHNICAL

for evaluating and determining whether a firm is conforming to the professional standards established by the American Society of Certified Public Accountants Quality Control Standards Committee. The peer review process has been designed to test the adequacy, appropriateness and operation of the quality controls in the areas of independence, assignment, consultation, supervision, hiring, professional development, advancement, acceptance and continuance of clients, and internal inspection. In the report on our peer review, we received an unqualified opinion.

An unqualified opinion is the highest professional achievement a CPA firm can obtain, and we are, of course, very proud of this.

PERSONNEL QUALIFICATIONS AND STAFFING

The success of any engagement in a specialized field requires careful attention to the management and technical skills required to conduct the engagement. Yergen and Meyer is fortunate in this respect, as we have a number of people who possess the required experience and expertise in the specialized area of municipal and nonprofit auditing and accounting at both the partner and staff levels.

Harry N. Kyllo, CPA

Harry Kyllo will serve as the general partner. He has over 20 years of professional accounting experience and has developed considerable expertise with management consultation service and not-for-profit organizations. His initial background and training was with a national accounting firm. Mr. Kyllo will have the final responsibility for Yergen and Meyer's relationship with the City of Keizer, including informing the City Council and staff of significant developments that may affect the City. He will be responsible for the successful and timely completion of our examination. He will direct and coordinate the audit planning, field audit performance, review of audit working papers, and reports.

Robert L. Myers, CPA

Bob Myers is a licensed municipal auditor in the state of Oregon, and a partner in our Astoria office. He is a member of Yergen and Meyer's Municipal Auditing Committee, the Governmental Accounting Committee of the Oregon Society of Certified Public Accountants, the Government Finance Officers Association, and has participated as a member of the Practice Review Committee of the Oregon Board of Accountancy, which reviews municipal and nonprofit reports filed with the Oregon Division of Audits. Mr. Myers has over 26 years of experience in public accounting. He has been involved in all phases of municipal and nonprofit auditing and accounting, including country clubs, chambers of commerce, economic development associations, museums, counties, cities, school districts, community colleges, hospitals, port authorities, and housing authorities.

Michael E. Lynch, CPA

Mike Lynch is a licensed municipal auditor in the state of Oregon, and a partner in our Astoria office. He has over ten years of public accounting experience and has been a municipal auditor since 1979. Mike has participated in a number of nonprofit municipal auditing engagements, including country clubs, counties, cities, and housing authorities. Mr. Lynch's assistance will be available at all times.

APPROACH TO THE AUDIT

Tentative Schedule

June	Engagement planning, advance field work, mailing of confirmations.
September	Provided the books are ready, we will schedule and complete the field work.
October	Financial statement preparation.
November	Delivery and exit conference with City Council.

PROPOSED FEE

Three Year Proposal

We prefer extended contracts with our audit clients because we can provide a higher level of service on an ongoing basis, as opposed to a one year contract. Our three year proposal is as follows, with our customary 15% discount for municipal audits:

For the year ending June 30, 1991	$ 9,250	x	85%	=	$ 7,850
For the year ending June 30, 1992	$ 9,700	x	85%	=	$ 8,250
For the year ending June 30, 1993	$ 10,175	x	85%	=	$ 8,650

One Year Proposal

Our proposed fee for the year ending June 30, 1991, is $8,250. In proposing this fee, we do not envision significant changes in your current operations, personnel, number of funds, or other significant projects, such as new bond issues or receipt of Federal grants. Separate arrangements would have to be made between us for any changes in these circumstances. We want to assure you that we are willing to be flexible regarding such changes in the circumstances of the audit. Our out-of-pocket expenses are included in the fee.

Additional Services

The fee quoted includes all work related to the year end closing and adjustments, and to the audit procedures. We do not anticipate that there would be additional services billed to you in this regard.

If there were to be a special project, we would clarify this need with you in advance and prepare a separate engagement letter for it. This would be billed on the basis of the amount of time required to perform the service. Our fee structure is as follows:

Partners	$ 90.00	-	$ 115.00	per hour
Managers	45.00	-	55.00	per hour
Staff Accountants	43.00	-	47.00	per hour
Clerical	37.00	-	47.00	per hour

MUNICIPAL AUDIT EXPERIENCE

Current Municipal Audit Clients:

Municipality	Contact Person	Phone	Years Served
City of Astoria	John Snyder	325-5821	20+
Clatsop County Housing Authority	Bill Barrons	325-1000	1
East Astoria Urban Renewal District	John Snyder	325-5821	4+
City of Coquille	Shirley Patterson	396-2115	12+
City of Powers	Mable Shorb/Daisy Fry	439-3331	12+
Coos County School District No. 8	John Beedle	396-2181	12+
Coos County School District No. 13	Ken Mangold	756-2521	12+
Coos County School District No. 31	Shirley Stallard	439-2291	12+
Coos County School District No. 41	Tom Roe	572-2811	12+
Coos County School District No. 54	Bill Meador	347-4411	4
Coquille Valley Hospital District	Ambrose Caudle	396-2775	12+
SRCA Water District	Clyde Head	396-3684	12+
Coos County Urban Renewal Agency	Alan Rumbaugh	267-7678	2
Port of Bandon	Kay Linke	347-3206	4
Southwestern Oregon Community College	James Love	888-2525	2
City of Coos Bay	Gail George	269-8915	1

Previous Municipal Audit Clients:

Municipality	Contact Person	Phone	Years Served
Clatsop County	Bill Barrons	325-1000	10+
Clatsop Co. Ambulance Service District	Keith Moes	325-8565	10+
City of Warrenton	Gil Gramson	861-2233	5+
Arch Cape Water	Keith Moes	325-8565	10+
Arch Cape Sewer	Keith Moes	325-8565	10+
Northwest Oregon Housing Authority	Lorene Brock	325-4686	2

ACCOMPANYING INFORMATION

PROPOSED FEE

FOUR PHASE AUDIT PROGRAM

The quality control of our audit work dictated by our involvement with the Continental Association of Certified Public Accountants has resulted in an extensive audit program that has been tailored for municipal organizations. Our audits are comprised of four phases:

Planning
Initially, we inquire of you regarding your system of internal control, various aspects of your business transactions, your organizational systems, and other matters of information. We build an organized permanent file of reference material from which we organize the general approach to the audit.

Functional Testing
During the second phase of the examination, we perform detailed tests of transactions to determine the general reliability of the information produced by the system. Based on the results of these tests, our overall audit strategy is reviewed and adjusted as appropriate.

Substantive Tests
The third phase of our engagement is completed after the year end closing of the books. This phase embraces tests of the year end balances, and preparation of our report.

Review
The fourth level of our audit is the review process, which takes place during every phase. We mention this to emphasize the quality control over our staff's work by the involvement of partners with many years of technical experience in the field of nonprofit and governmental audits. During the progress of the audit, Harry Kyllo's review will require that all tests and entries meet the proper standards. After his review, the entire file will undergo a second partner review by Don Hall.

As an important byproduct of this audit approach, we will develop constructive recommendations for improvements in internal controls, managerial systems and accounting systems. We will review any recommendations with management during the course of our examination, which will facilitate early implementation of accepted recommendations. Our findings and recommendations will be summarized and submitted to the City Council and management, during or at the conclusion of the engagement, in the form of a Management Recommendation Letter.

Don Hall, CPA

Don Hall is a licensed municipal auditor in the state of Oregon, and a partner in our Coos Bay office. He will serve as the second and cold partner reviewer of the audit as part of our quality control procedures. He will also be available as a technical consultant. Don is the partner-in-charge of a number of municipal audits in the Coos Bay area, including colleges, cities, hospitals, water districts, and school districts. He has participated as a member of the Practice Review Committee of the Oregon Board of Accountancy and is a member of the Yergen and Meyer Municipal Auditing Committee and the Government Finance Officers Association.

Jim Lanzarotta, CPA

Jim Lanzarotta has seven years of public accounting experience. He has nonprofit and municipal auditing and accounting experience from his involvement on the following engagements: Clatsop County, The City of Astoria, The City of Warrenton, Clatsop County Ambulance Service District, Arch Cape Sewer District, Arch Cape Water District, and Westport Sewer District. Furthermore, Jim has experience in corporate, partnership, and individual income tax preparation and financial statement preparation. He is an active member of the community through his involvement as past president of the Board of the Greater Astoria Area Chamber of Commerce, treasurer of the Lower Columbia Regional Navel Task Force, and past president of the Astoria Downtown Development Association. Jim will be in charge of this engagement and the primary contact person.

Karen M. Boone, CPA

Karen Boone has three years of public accounting experience. During her three years in public accounting, she has spent the majority of her time on audit engagements, including the in-charging of a large not-for-profit organization audit.

Other Staff

Other staff assigned to the engagement will be selected carefully in order to provide the appropriate level of experience and expertise. All of our professional staff receive continuing education in excess of Federal and state requirements. In addition, they receive formal on-the-job training from Yergen and Meyer.

PERSONNEL

QUALIFICATIONS OF OUR FIRM

Yergen and Meyer is a regional accounting firm with eight offices located in Oregon and Washington, and is one of the 100 largest public accounting firms in the United States. Yergen and Meyer was formed in 1940, with our home office in Portland and branch offices in Medford, Astoria, Pendleton, Coos Bay, and Eugene/Springfield in the state of Oregon, and Chehalis and Bellevue in the state of Washington. Our clientele is highly diversified and includes representation in essentially all types of commercial businesses and governmental units.

Our firm places significant emphasis on professional development and training. Accordingly, our staff continually participates in numerous formal professional development programs. Staffing assignments are planned to provide a broad range of experience to all staff members.

The firm, its partners, and many of the staff members are members of the American Institute of Certified Public Accountants. A majority of personnel are also members of the Societies of Certified Public Accountants in the states of Oregon and Washington.

Our professional objective is to provide the finest quality services on a timely basis. We endeavor to build a warm relationship that continues throughout the year, rather than an association limited to year end contact. We are able to provide the expertise of a large firm combined with the personal relationship of a smaller firm.

Yergen and Meyer is dedicated to a quality practice of public accounting. We realize that we have professional, civic and social responsibilities to our clients and our staff. These responsibilities are met through our quality control programs and continuing professional education. In order to enhance our programs in both of these areas, Yergen and Meyer is a member of the Continental Association of Certified Public Accountants (see brochure enclosed).

The Continental Association of Certified Public Accountants (CACPA) is a group of larger CPA firms in cities across the country. The organization was formed in 1978 with the express purpose of sharing expertise, information and techniques for the mutual benefit of its members. CACPA has provided us with a program specifically developed for non-profit organizations, which we will utilize in the planning and performance of your audit.

As part of our commitment to maintaining a strong professional practice, Yergen and Meyer is also a member of the Private Companies Practice Section of the American Institute of Certified Public Accountants. Membership in this section requires the firm to maintain a high standard of professionalism and undergo periodic peer review. In November, 1988, our firm underwent a peer review by a team of independent CPA's. The peer review is a formal process

SERVICES PROVIDED BY OUR FIRM

Auditing and Accounting

Our firm provides a wide range of services in the areas of audit, review, financial statement preparation, and analysis. Our clients range from small to medium size, and cover many industries. This has provided us with a tremendous amount of experience and knowledge, which we can use to your benefit.

Tax Planning and Compliance

A complete and diversified tax service is available, including assistance in all phases of Federal, state and local income taxes, estate, inheritance and gift taxes, and payroll and other taxes. These services include tax return preparation, tax research, and representation of clients at administrative proceedings before the various tax authorities. We emphasize tax planning in order to minimize the tax burden and avoid potential problems. Newsletters are sent to clients to keep them current on the latest tax developments and to assist in tax planning.

YERGEN AND MEYER
CERTIFIED PUBLIC ACCOUNTANTS

May 10, 1991

Donald H. Otterman, City Manager
City Council
City of Keizer
930 Chemawa Road NE
Keizer, Oregon 97307

Ladies and Gentlemen:

We are pleased to submit a proposal from Yergen and Meyer, Certified Public Accountants, to provide audit services for the City of Keizer. We appreciated the opportunity to talk with Paul Frykberg, who provided us with valuable information regarding the City's requirements for service from Yergen and Meyer.

ELEMENTS FOR A BENEFICIAL AUDIT

If Yergen and Meyer is to accomplish an audit that is beneficial to the City, several elements are required:

1. A thorough understanding of the needs of the City on the part of Yergen and Meyer.
2. Clear communication between Yergen and Meyer and the responsible officials of the City regarding the objectives and details of the audit.
3. An ongoing relationship that would promote efficiency on the part of our staffs. This efficiency will promote quality work and minimize costs.

UNDERSTANDING THE NEEDS OF THE CITY OF KEIZER

The service that we will perform will meet your need for an audit in accordance with generally accepted auditing standards and the Minimum Standards of Oregon Municipal Corporations for the year ending June 30, 1991.

MEMBERS AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, THE CONTINENTAL ASSOCIATION OF CPA FIRMS, INC., OREGON SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

4640 S.W. MACADAM AVE. ☐ P.O. BOX 69509 ☐ PORTLAND, OREGON 97201 ☐ (503) 295-1288 ☐ FAX (503) 295-1299

OFFICES PORTLAND, MEDFORD, ASTORIA, PENDLETON, COOS BAY, EUGENE/SPRINGFIELD, CHEHALIS, BELLEVUE

PROPOSAL OF SERVICES FOR
CITY OF KEIZER

May 10, 1991

Table of Contents

5

1982

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

CITY COUNCIL MEETING: June 17, 1991

AGENDA ITEM NUMBER: 8

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.PA,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: FERNWOOD PARK

BACKGROUND:

At the Council meeting of June 3, 1991, Staff presented to Council information concerning the current status of Fernwood Park, the desire of Learning Tree Day Care, Inc., to gain access to a small portion of the park for use as a fenced outdoor plan area, and the constraints on the City in meeting this request.

The Council directed Staff to pursue issuing a revocable permit to the day care operator as an interim step. In addition, Staff was to pursue vacation of the public's ownership of the park placing it instead in the City's jurisdiction. This would result in much greater freedom for the City in determining and achieving the best future use of this property.

Staff has subsequently discussed this proposal with the day care operator. He indicated his reluctance to enter into a revocable permit. He also indicated he would be willing to wait for a few months before terminating the project if the City was actively pursuing vacation of the park. A memorandum from Shannon Johnson, City Attorney, describing his conversations with the operator is attached for the Council's information.

Because of this position, and based on Council direction, Staff has developed the basic strategy outlined below for dealing with the Fernwood Park issue.

MEMORANDUM

TO: Mayor and City Council

THROUGH: John N. Morgan, Community Development Director

FROM: E. Shannon Johnson, City Attorney

RE: Learning Tree Daycare Center/Fernwood Park

DATE: June 11, 1991

The daycare center operator has asked the City to grant him permission to use part of Fernwood Park adjacent to Schoolhouse Square for an exclusive or semi-exclusive playground area for the children attending the daycare center. Staff has worked with the daycare center operator, John DeGroot, along with representatives of the Springer Development Company to reach a satisfactory resolution of this situation. Part of the solution proposed by staff includes a revocable permit to use the land since the City cannot lease or sell it.

On June 10, 1991, I spoke with John DeGroot. He indicated that because of the size of their investment in equipment and supplies, he was unwilling to go forward with the opening of the daycare center based solely on a revocable permit granted by the City. However, he does want to locate the daycare center at Schoolhouse Square, and he asked that the City move forward with the vacation process or other procedure so that the City may lease or convey the playground area to the daycare center and/or Springer Development Company. Though there may be a delay in opening by not using the revocable permit, he mentioned that it will take some time to finish the construction in any event.

Staff is looking for further direction from Council as to proceeding with the vacation process. If it is the wish of Council, Council's direction at this time should be an informal motion to direct legal counsel to prepare the petition for vacation. When such document is prepared, it would come back before Council for a formal motion to initiate the vacation process.

ESJ:clt

JERRY - DELETE IMAGE

1982

City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 17, 1991

AGENDA ITEM NO.: 9

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: ESTABLISHMENT OF POLICE ADVISORY COMMITTEE

DISCUSSION

A number of recommendations were made in the Bishop and Louis report pertaining to the image of the Police Department in the community. Staff has been attempting to improve the image of the Department over the past year, but it is very difficult to get the input necessary from the residents about how they feel about the image of the Department and how they feel the Department is doing in providing the services necessary.

For the most part, residents are quick to complain to staff, or the City Council, if an action of the city is not to their liking, but they are not so quick to provide input if they are in agreement with the services provided by the Department, or if they are not personally impacted by the actions of the city.

The following is my perception of how a Police Advisory Committee would work:

1. The committee would be created by the City Council and appointments made to the committee the same way that the Parks Committee or Planning Commission are made.

2. The committee would meet, initially, on a routine basis, but would change to an ad hoc committee once their initial work is completed. NOT AD HOC BUT AT LEAST QUARTERLY

3. The committee would be advisory to the City Manager and City Council and not the Police Department, although the Police Department would have staff representation on the committee. TO COUNCIL ONLY

4. The committee would not be involved in personnel issues or the investigation of complaints against the Department, but would be involved in assisting the city to develop a specific game plan that will implement certain changes to improve the Department's image and

operations.

The charge to the committee would be the following:

> To develop an open line of communication between the community and the city administration to assist in improving the ~~image and~~ overall operation of the Police Department. The committee would review the existing Police services provided and develop a strategy for Police services that would take into consideration the existing services provided, the expressed need from the community for a change in services, the overall trend in crime rates and the way that trend impacts the community and level of services provided.

RECOMMENDATION

It is recommended that the City Council AUTHORIZE the establishment of a Police Advisory Committee and that the Mayor be authorized to appoint five (5) members to the committee.

DHO:clm

f:\admin\KPDcomm.adg

PROPOSED STRATEGY:

Staff proposes the following strategy and time frame for dealing with this issue:

July-August	The Parks Committee, beginning at its July 16, 1991 meeting, will review the issues related to the use and future of Fernwood Park. Specific notice will be given to all interested parties including the owners within Fernwood Park Subdivision.
September	The Parks Committee will make its recommendations to Council. If it is recommended and the Council concurs, the Council will initiate the vacation process.
October	Council holds a public hearing and takes action on the vacation.
October-November	If vacation is approved, Staff negotiates a specific agreement with the day care operator for approval by the Council. Negotiations may also take place with Keizer Heritage Foundation or other parties for disposition of the balance of the property.

RECOMMENDATION:

It is recommended Council approve this strategy outlined above.

ATTACHMENTS:

Memo to the Council from Shannon Johnson, City Attorney

5

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: June 17, 1991

AGENDA ITEM NO.: 11b

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: AUTHORIZATION FOR USAGE OF CREDIT CARDS IN MUNICIPAL COURT

RECOMMENDATION

It is recommended that the city council adopt the attached resolution authorizing the municipal court to accept payment of traffic fines by Visa and Mastercard.

DISCUSSION

The municipal court has had on numerous occasions difficulty collecting payment of fines that are levied in municipal court. Many defendants do not have adequate funds with them when they appear in court to pay their fines and ask for a time extension to pay the fine.

If an individual leaves the court without paying the fine, the city must wait until the deadline for payment has passed, and if the fine has not been paid can take action through the Department of Motor Vehicles by requesting that DMV apply sanctions against that individuals drivers license.

Court records show that approximately 5% of all individuals appearing in court do not pay the fine that is levied. In an effort to improve the failure to pay statistics, I am recommending that the city council authorize the staff to accept payment of fines by the use of credit cards. Acceptance of credit cards for payment of fines could also be more convenient to the citizens.

We have discussed with Commercial Bank the establishment of a system whereby we could accept the credit cards as payment and the bank could process those transactions. The bank has agreed to do so for 90 days on a trial basis without charge to the city to enable the city to see if the process is working and if we are seeing a reduction in the failure to pay statistics. At the end of 90 days, if the city finds that it is not worth the cost of accepting the credit cards, the practice would stop.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91-_____

AUTHORIZING THE MUNICIPAL COURT OF THE CITY OF KEIZER TO ACCEPT VISA AND MASTERCARD CREDIT CARDS FOR PAYMENTS OF BAILS AND FINES

WHEREAS, the Municipal Court of the City of Keizer collects bails and fines in connection with traffic infractions or other violations or alleged violations; and

WHEREAS, the Municipal Court of the City of Keizer has difficulty in collecting some bails or fines because of the offenders' or alleged offenders' inability to pay the entire bail or fine; and

WHEREAS, the Municipal Court of the City of Keizer is not equipped to handle payments over time for bails and fines; and

WHEREAS, it would be more convenient for both the court and the offenders or alleged offenders to allow the use of credit cards for payments of bails and fines; NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the Municipal Court of the City of Keizer is authorized to accept payments for bails and fines by use of Visa and Mastercard credit cards and further that the City Manager and Mayor are authorized to enter into agreements with The Commercial Bank in order to effectuate this Resolution.

PASSED this __________ day of __________________, 1991.

SIGNED this __________ day of __________________, 1991.

____
Mayor

____
City Recorder

Commercial Bank

MERCHANT DISCOUNT PERCENTAGE SCHEDULE

Average Ticket Size • Effective 5-1-91
(Minimum monthly discount $12.00)

Monthly Volume		Under $20.00	$20.01 to $35.00	$35.01 to $50.00	$50.01 to $75.00	$75.01 to $100.00	$100.01 to $200.00	$200.01 to $300.00	$300.01 to $400.00	$400.01 to $500.00	OVER $500.00
$ 0	$ 500	P 7.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
		E 5.80	4.62	4.38	4.24	4.15	4.06	4.01	3.99	3.98	3.97
$ 501	$ 2,000	P 7.00	6.33	5.30	4.69	4.33	3.94	3.73	3.64	3.59	3.57
		E 4.00	2.82	2.58	2.44	2.35	2.27	2.22	2.19	2.18	2.18
$ 2,001	$ 3,500	P 7.00	6.81	4.78	4.17	3.81	3.42	3.21	3.12	3.07	3.05
		E 3.75	2.57	2.33	2.19	2.11	2.02	1.97	1.95	1.94	1.93
$ 3,501	$ 5,000	P 7.00	5.66	4.63	4.02	3.65	3.27	3.06	2.96	2.91	2.90
		E 3.68	2.50	2.26	2.12	2.04	1.95	1.90	1.88	1.87	1.86
$ 5,001	$ 7,500	P 7.00	5.57	4.54	3.93	3.56	3.18	2.97	2.87	2.82	2.81
		E 3.64	2.46	2.22	2.08	1.99	1.91	1.86	1.83	1.82	1.82
$ 7,501	$10,000	P 7.00	5.51	4.48	3.88	3.51	3.13	2.91	2.82	2.77	2.75
		E 3.61	2.43	2.19	2.05	1.97	1.88	1.83	1.81	1.80	1.79
$10,001	$15,000	P 7.00	5.47	4.44	3.84	3.47	3.09	2.87	2.78	2.73	2.71
		E 3.59	2.41	2.17	2.03	1.95	1.86	1.81	1.79	1.78	1.77
$ 15,001	$20,000	P 7.00	5.45	4.41	3.81	3.44	3.06	2.84	2.75	2.70	2.68
		E 3.58	2.40	2.16	2.02	1.94	1.85	1.80	1.78	1.77	1.76
Over $20,001		P 7.00	5.44	4.41	3.80	3.43	3.05	2.84	2.74	2.6[illegible]	2.67

Merchant Agreement

Commercial Bank - Bankcard Center

P.O. Box 428 Salem, Oregon 97308

In consideration of the mutual covenants herein, Commercial Bank ("Acquirer") and the undersigned merchant ("Merchant") have agreed as follows as of the date of acceptance by Acquirer's authorized representative noted below:

ARTICLE I - CARD TRANSACTIONS

1.01 Honoring Cards

(a) Merchant shall honor without discrimination all valid cards of the type(s) checked below ("Cards") when properly presented as payment by customers in connection with bona fide, legitimate business transactions. If Merchant does not deal with the public at large (such as in the case of a private club), Merchant shall be deemed to have complied with this non-discrimination rule if it honors all valid Cards of cardholders who have purchasing privileges or memberships with Merchant.

(b) Merchant shall not require, through an increase in price or otherwise, any cardholder to pay any surcharge at the time of sale or to pay any part of any charge imposed on Merchant by Acquirer (discounts for payment in cash, however, are permitted).

(c) Merchant shall not establish minimum or maximum transaction amounts.

1.02 Advertising.

(a) Merchant shall display adequately any advertising or promotional materials provided or required by Acquirer to inform the public that Cards will be honored at Merchant's place of business. Such displays, however, are not required of private clubs and other Merchants that do not deal with the general public, vehicle leasing companies at airport locations, transportation companies subject to government regulation, or other Merchants expressly exempted from this requirement by MasterCard International Inc. ("MasterCard") and/or Visa U.S.A. Inc. ("Visa"), as applicable.

(b) Merchant shall not display or use advertising or promotional materials containing Acquirer's name or symbol which might cause a customer to assume that Merchant honors only Cards issued by Acquirer.

(c) Merchant shall have the right to use or display the proprietary names and symbols associated with Cards only while this Agreement is in effect, or until Merchant is notified by Acquirer or any appropriate bankcard organization to cease such usage.

(d) Merchant shall comply with all applicable MasterCard and Visa rules and regulations concerning the use of service marks and copyrights owned by MasterCard or Visa.

(e) Merchant shall use the proprietary names and symbols associated with Cards only to indicate that Cards are accepted for payment and shall not indicate, directly or indirectly, that Acquirer, MasterCard, Visa, or any bankcard organization endorses Merchant's products or services.

(f) Merchant shall not refer to MasterCard or Visa in stating eligibility for its products, services, or memberships.

1.03 Card Examination

(a) Before honoring any Card, Merchant agrees:

(i) to check the effective date (if any) and the expiration date on the Card;

(ii) to examine any card security features (such as a hologram included on the Card; and

(iii) to check the account number on the Card against the most current Combined Warning Bulletin published jointly by MasterCard and Visa. If the account number appears in the most current Combined Warning Bulletin provided to Merchant, Merchant shall not honor the Card and shall retain the Card by reasonable and peaceful means until contacting Acquirer's authorization center for instructions.

(b) Merchant shall not honor any Card that is not yet effective or that has expired.

1.04 Authorization

(a) Before honoring any Card, Merchant shall request authorization from Acquirer's designated authorization center if:

(i) the total amount of the transaction (including any applicable taxes) exceeds the floor limit then applicable to the transaction (for hotel, motel, and vehicle leasing transactions, Merchant must estimate the amount of the transaction based upon the customer's intended length of stay or rental and request authorization if the estimated transaction amount exceeds the applicable floor limit; upon check-out or return of the rental vehicle, additional authorization must be obtained and recorded for charges actually incurred in excess of the estimated amount authorized; (when multiple airline tickets are purchased at the same time using the same account number, Merchant may obtain authorization for each ticket individually; when a transaction is completed in partial payment of a purchase, authorization is required for the portion of the purchase effected with the Card, regardless of the applicable floor limit);

(ii) Merchant desires to make a delayed presentment of the transaction record;

(iii) in a transaction other than a mail or telephone order, the sales slip is not signed or is not imprinted with the Card or with the merchant plate;

(iv) the account number is listed on the most current Combined Warning Bulletin or other appropriate file, record, or verification service maintained by or provided to Merchant; or

(v) the signature panel on the Card does not contain the customer's signature, the customer's signature on the sales slip is questionable, Merchant believes the Card may be counterfeit or stolen, or there are other unusual or suspicious circumstances.

number, the expiration date and any effective date on the Card, the cardholder's name, and any company name; and

(ii) to print legibly on the signature line of the sales slip the letters "TO", "MO", or "PO" ("Recurring Transaction" for Visa transactions), as appropriate.

(b) In any non-imprint transaction, Merchant shall be deemed to warrant the customer's true identity as an authorized user of the Card, whether or not authorization is obtained, unless Merchant obtains and notes legibly on the sales slip independent evidence of the customer's true identity.

(c) In connection with a recurring transaction (or preauthorized order) pursuant to which goods or services are delivered to or performed for a cardholder periodically, Merchant agrees to the following conditions:

(i) Merchant must obtain a written request from the cardholder that the recurring transaction be charged to the cardholder's account;

(ii) The written request must specify the amount of the recurring transaction, the frequency of the recurring charges, and the length of time for which the preauthorized order is to remain in effect;

(iii) Before renewing a preauthorized order, Merchant must obtain a subsequent written request from the cardholder containing the information listed above;

(iv) Merchant must retain the cardholder's written authorization for as long as the preauthorized order is in effect and must provide a copy to Acquirer upon request; and

(v) Merchant must not deliver goods or perform services covered by a preauthorization order after being advised that the preauthorization has been cancelled or that the Card is not to be honored.

(d) Merchant may offer cardholders an installment payment option for its mail/telephone order merchandise subject to the following conditions:

(i) Merchant's promotional material must clearly disclose the installment terms, including but not limited to: (1) whether the plan is available only for selected items or for the total amount of any order, and (2) how shipping and handling charges and applicable taxes will be billed. The material also must advise cardholders who are not billed in the transaction currency of the Merchant that the installment billing amounts may vary due to fluctuations in the currency conversion rates.

(ii) No finance charges may be added by Merchant. The sum of the installment transactions may not exceed the total sales price of the merchandise on a single-transaction basis.

(iii) Authorization is required for each installment transaction; Merchant's floor limit is zero.

(iv) Merchant may not deposit the first installment transaction with Acquirer until the merchandise is shipped. Subsequent installment transactions must be deposited (1) at intervals of 30 days or more, or (2) on the anniversary date of the transaction (i.e. the same date each month).

1.09 Lodging and Vehicle Rental Transactions.

Regardless of the terms and conditions of any written preauthorization form, the sales slip amount for any lodging or vehicle rental transaction shall include only that portion of the transaction, including any applicable taxes, evidencing a bona fide renting of real or personal property by Merchant to a customer and shall not include any consequential charges. Nothing herein is intended to restrict Merchant from enforcing the terms and conditions of its preauthorization form through means other than a Card transaction.

1.10 Returns and Adjustments; Credit Slips

(a) If Merchant maintains a policy of permitting refunds, exchanges, returns, or adjustments for cash customers, Merchant shall maintain the same policy for persons making purchases through use of a Card. Merchant may restrict its refund or return policy as to any Card transaction, however, if Merchant discloses its policy at the time of the transaction by printing an appropriate notice (such as "No Refunds or Exchanges") on all copies of the sales slip prior to obtaining the customer's signature.

(b) Except as provided above, if Merchant accepts any goods for return, permits the termination or cancellation of any services, or allows any price adjustment (other than involuntary refunds required by applicable airline or other tariffs or otherwise by law), then Merchant shall not make any cash refund, but shall complete and deliver promptly to Acquirer a credit slip evidencing the refund or adjustment, and deliver to the cardholder a true and complete copy of the credit slip at the time the refund or adjustment is made. Merchant shall include on the credit slip a brief description of the goods returned, services terminated or canceled, or refund or adjustment made, together with the date and amount of the credit, in sufficient detail to identify the transaction. Merchant shall imprint or legibly reproduce on each credit slip the embossed legends from the Card and from Merchant's imprinter plate. The amount of the credit slip cannot exceed the amount of the original transaction as reflected on the sales slip.

1.11 Cash Payments

Merchant shall not receive any payments from a customer for charges included on any transaction record resulting from the use of any Card, nor receive any payments from a cardholder to prepare and present a credit slip for the purpose of effecting a deposit to the cardholder's account.

1.12 Cash Advances

Unless expressly authorized in writing by Acquirer, Merchant agrees not to make any cash advance to a cardholder, either directly or by deposit to the cardholder's account. Money orders sent by wire, contributions to charitable and political organizations, tax payments, insurance premium payments, alimony and child support payments, and court costs and fines shall not be considered cash advances or withdrawals.

1.13 Release of Cardholder Account Information

Merchant shall not, without the cardholder's prior written consent, sell, purchase, provide, or otherwise disclose the cardholder's account information or other cardholder personal information to any third party other

2.06 Chargeback

(a) Under any one or more of the following circumstances, Acquirer may charge back to Merchant any transaction record that Acquirer has accepted, and Merchant shall repay Acquirer the amount represented by the transaction record less any discount therefor:

(i) The transaction record or any material information on a sales slip (such as the account number, expiration date of the Card, merchant description, transaction amount, or date) is illegible, incomplete, or otherwise indiscernible, is not endorsed, or is not delivered to Acquirer within the required time limits;

(ii) The account number was listed on the Combined Warning Bulletin current on the transaction date and Merchant did not reject the transaction or receive prior authorization for the transaction, as applicable;

(iii) The sales slip does not contain the imprint of a Card that was valid, effective, and unexpired on the transaction date;

(iv) The transaction was one for which prior credit authorization was required and prior credit authorization was not obtained, or a valid authorization number is not correctly and legibly included on the transaction record;

(v) The transaction record is a duplicate of an item previously paid, or is one of two or more transaction records generated in a single transaction in violation of this Agreement;

(vi) The cardholder disputes the execution of the transaction record, the sale, delivery, quality, or performance of the goods or services purchased, or alleges that a credit adjustment was requested and refused or that a credit adjustment was issued by Merchant but not posted to the cardholder's account;

(vii) The price of the goods or services shown on the transaction record differs from the amount shown on the copy of the sales slip or the receipt delivered to the customer at the time of the transaction;

(viii) Acquirer reasonably determines that Merchant has violated any term, condition, covenant, warranty, or other provision of this Agreement in connection with the transaction record or the transaction to which it relates;

(ix) Acquirer reasonably determines that the transaction record is fraudulent or that the related transaction is not a bona fide transaction in Merchant's ordinary course of business, or is subject to any claim of illegality, cancellation, rescission, avoidance, or offset for any reason whatsoever, including without limitation negligence, fraud, or dishonesty on the part of Merchant or Merchant's agents or employees;

(x) The transaction record arises from a mail or telephone order transaction which the cardholder disputes entering into or authorizing, or which involves an account number that never existed or that has expired and has not been renewed; or

(xi) Merchant fails to provide any sales slip or credit slip to Acquirer in accordance with Subsection 2.02 (e) of this Agreement.

(xii) another financial institution makes a charge back to the Acquirer for any reason.

(b) Acquirer shall, within a reasonable time following notice of chargeback of a transaction to merchant, return to Merchant any sales slip or other evidence of the transaction.

(c) In the situation in which there is a chargeback for an amount less than the transaction amount, Acquirer must include the partial amount special chargeback indication.

ARTICLE III - MISCELLANEOUS

3.01 Imprinters and Terminals

Merchant shall keep any imprinter(s) and terminals used to process card transactions in good working order and shall notify Acquirer prior to any change of the imprinted or programmed information.

3.02 Forms

Merchant shall use only such forms or modes of transmission for sales data and credit data as are provided or approved in advance by Acquirer, and Merchant shall not use forms or equipment provided by Acquirer other than in connection with Card transactions hereunder.

3.03 Records

Merchant shall preserve a copy of the actual paper sales slips and credit slips for at least one (1) year after the date Merchant presents the transaction data to Acquirer, and Merchant shall make and retain for at least seven (7) years legible microfilm copies of both sides of such actual paper transaction records.

3.04 Requests for Copies

Within five (5) days of receipt of any request by Acquirer, Merchant shall provide to Acquirer either the actual paper transaction record, if requested by Acquirer, or a legible microfilm thereof (in size comparable to the actual paper transaction records), and any other documentary evidence available to Merchant and reasonably requested by Acquirer to meet its obligations under law (including its obligations under the Fair Credit Billing Act) or otherwise to respond to questions concerning cardholder accounts.

3.05 Compliance with Law

Merchant shall comply with all laws applicable to Merchant, Merchant's business, and any Card transaction, including without limitation all State and Federal consumer credit and consumer protection statutes and regulations.

3.06 Modification

This Agreement is subject to such modifications, changes, and additions as may be required, or deemed by Acquirer to be required, by reason of any State or Federal statute, judicial decision, MasterCard or Visa rule or regulation, or the regulation or ruling of any federal agency having jurisdiction over Acquirer or Merchant.

3.07 Termination

This Agreement may be terminated without cause by either party upon prior written notice to the other party. Acquirer may terminate this Agreement without prior notice in the event Merchant is or becomes bankrupt or

ACQUIRER

Commercial Bank
Name

P.O. Box 428
(Address)

Salem, Oregon 97308
(City, State) (Zip)

By

Title

Date

MERCHANT

CITY OF KEIZER
Name

PO BOX 21000
(Address)

KEIZER, OR 97307
(City, State) (Zip)

By

Title CITY MANAGER

Date MAY 3, 1991

is unable to pay its debts as they become due, or if Acquirer reasonably determines that Merchant has violated any term, condition, covenant, or warranty of this Agreement, or if Acquirer determines in its sole discretion that Merchant has abused its privileges under this Agreement. Upon the effective date of any such termination, Merchant's rights hereunder to make Card transactions, to deposit transaction records with Acquirer, and to use sales slip forms, credit slip forms, promotional material, and any other items provided by Acquirer hereunder shall cease, but Merchant's obligations in connection with any transaction record accepted by Acquirer (whether before or after such termination), including without limitation Merchant's chargeback obligations, shall survive such termination.

(a) The Acquirer may withhold payment to the Merchant of an amount reasonably determined by the Acquirer to be necessary to establish a reserve to cover any chargebacks, credit slips, uncollected discounts, and fees that may appear after the termination date.

3.08 Change in Transmission Method

The means of transmission indicated below shall be the exclusive means utilized by Merchant for the transmission of sales data or credit data to Acquirer. Merchant shall give Acquirer at least thirty (30) days' prior written notice of Merchant's desire to deliver and deposit actual sales slips and credit slips or otherwise to alter in any material respect Merchant's medium of transmission of sales data and credit data to Acquirer. Following termination, Merchant shall upon request provide Acquirer with all original and microfilm copies required to be retained as of the date of termination.

3.09 Discount Percentage Fees

The applicable Merchant discount fees are variable, based on monthly sales volume and average sales amount with a $12 minimum. (See attached discount graph)

3.10 Sale of Imprinters, Terminals and Printer Equipment

All equipment is sold according to the current price schedule (See Merchant Application Form).

3.11 Indemnification

Merchant agrees to indemnify Acquirer with respect to losses exceeding the sales slip amount and arising in whole or in part from acts attributable to the merchant, such as use of excessive force in recovering a Card.

3.12 Limitation of Liabilty

Acquirer's liability to Merchant with respect to any Card transaction shall not exceed the amount represented by the transaction record in connection with that transaction less any applicable discount, and Acquirer shall in no event be liable for any incidental or consequential damages whatsoever.

3.13 Disclaimer of Liability in Connection with Combined Warning Bulletins

The Acquirer disclaims liability for errors in the Combined Warning Bulletins provided to Merchants or for any delay in providing such information.

3.14 Waiver

The Acquirer's failure to enforce any of the terms of the Merchant agreement does not constitute a waiver of any of the Acquirer's rights under the Merchant Agreement.

3.15 Successors and Assigns

Assignment of the Merchant Agreement by the Merchant is not permitted unless prior written approval is given by the Acquirer. Subject to the restriction on assignment the agreement is binding on any successor to the Merchant.

3.16 Choice of Law

The Merchant Agreement shall be governed by and interpreted according to the laws of the State of Oregon.

3.17 Notices

All notices or demands between the parties to the Merchant Agreement must be in writing and mailed by first class mail to the Acquirer, Attention BankCard Center, P. O. Box 428, Salem, OR 97308 and to the Merchant at their last known address. Notices shall be deemed given within 24 hours after deposit in the mail.

3.18 Amendment

Acquirer may amend this Agreement at any time by mailing written notice to Merchant of any amendment at least 15 days prior to the effective date of the amendment, and shall become effective unless Acquirer receives Merchant's notice of termination of this Agreement before such effective date.

3.19 Deposit Account and Setoffs

The Merchant expressly acknowledges that a demand deposit account is essential to the functioning of the Credit Card program. The Acquirer shall have the "Right of Set Off" against any deposit account the Merchant maintains to satisfy any obligations owed to the Acquirer by the Merchant.

3.20 Personal Guarantees

The Acquirer may require a personal guarantee by the principals of the Merchant's business for its obligations under the Merchant Agreement.

3.21 Privacy

The Acquirer may exchange credit information concerning the Merchant with third parties, such as other lenders and credit-reporting agencies.

3.22 Supplementary Documents

Reference to "this Agreement" includes any valid schedules, appendices, and amendments hereto.

IN WITNESS WHEREOF, Acquirer and Merchant have caused their duly authorized representatives to execute this Agreement as of the date set forth below the signature of each.

Cards subject to this Agreement ("Cards")

___ MasterCards (including any other MasterCard International Inc. Cards)

___ Visa Cards (including any other Visa USA Inc. and Visa International Service Association Cards)

___ Other Cards as follows:

____

____

____

Medium of Transmission

___ Magnetic Tape

___ Electronic Terminal Transmission

___ Hard Copy Sales Slips and Credit Slips than Acquirer, Merchant's agents, and processing organizations for the purpose of assisting Merchant in its business, or as required by law.

ARTICLE II - PRESENTMENT, PAYMENT AND CHARGEBACK

2.01 Transmission of Data

In lieu of depositing paper sales slips and credit slips with Acquirer, Merchant may transmit to Acquirer, in the form of magnetic tape or electronic data, as specified by and acceptable to Acquirer, all data required by this Agreement to appear on the sales slip or credit slip. The term "sales data" as used in this Agreement shall mean the data transmitted by Merchant that is contained in a sales slip or the electronic or magnetic tape record that is the equivalent to such a sales slip. The term "credit data" as used in this Agreement shall mean the data transmitted by Merchant that is contained in a credit slip or the electronic or magnetic tape record that is the equivalent of such a credit slip. All data ("transaction records") transmitted shall be in a medium, form, and format approved in advance by Acquirer and shall be presorted and organized according to Acquirer's instructions. All references to "sales slips" and "credit slips" in this Agreement shall be deemed to include transaction records transmitted electronically or on magnetic tape.

2.02 Presentment of Transaction Records to Acquirer.

(a) Merchant may designate a third party (that does not have a direct agreement with Acquirer) as its agent for the purpose of delivering transactions data-captured at the point of sale by such agent. If Merchant elects to use such third party as its agent for the direct delivery of data-captured transactions, Merchant agrees to the following conditions (for the purposes of this section 2.02, "Merchant" includes any agent designated by Merchant as permitted under this section):

(i) merchant must provide satisfactory notice to Acquirer that Merchant chooses to exercise the option specified above;

(ii) The obligation of Acquirer to reimburse Merchant for transactions is limited to the amount (less the appropriate discount fee) delivered by Merchant's designated agent; and

(iii) Merchant is responsible for any failure by its agent to comply with all applicable rules and regulations of MasterCard and Visa.

(b) Merchant shall present all sales data relevant to a transaction to Acquirer within the lesser of three (3) bank business days or five (5) calendar days after the date of the transaction, except that:

(i) Merchant shall present no sales data until the goods have been shipped or the services have been performed and Merchant has otherwise performed all of its principal obligations to the customer in connection with the transaction;

(ii) when Merchant requests and receives authorization for delayed presentment and legibly prints on the sales slip the authorization number and the words "Delayed Presentment," Merchant may present the sales data within the period permitted for delayed presentment (not to exceed thirty (30) calendar days);

(iii) if Merchant is obligated by law to retain a sales slip or return it to a buyer upon timely cancellation, Merchant may present the sales data within ten (10) bank business days after the date of the transaction; and

(iv) when Merchant has multiple locations or offices and accumulates transaction records at a central facility, Merchant may present the transaction records to Acquirer within twenty (20) calendar days after the date of the transaction.

(c) Merchant shall deliver all credit data to Acquirer within three (3) bank business days after the credit transaction date, except that if Merchant has multiple locations as described in subsection (b) (iv) above, Merchant may deliver the credit data to Acquirer within seven (7) business days after the transaction date.

(d) Merchant shall not present to Acquirer, directly or indirectly, any transaction record that Merchant knows or should have known to be fraudulent or not authorized by the cardholder, that results from a transaction outside Merchant's normal course of business, that results from a transaction not involving Merchant, or that contains the account number of a Card account issued to Merchant.

(e) If the transmission of sales data or credit data from Merchant to Acquirer is in the form of magnetic tape or electronic data, Merchant shall, on the next business day following transmission, send by mail to Acquirer a copy of each of the corresponding sales slips and credit slips.

2.03 Acceptance and Discount

Subject to the provisions of any warranty of Merchant hereunder and of any chargeback rights, Acquirer agrees to accept valid transaction records from Merchant during the term of this Agreement and to pay Merchant the total amount represented by the transaction records less any percentage discount agreed to by the parties. Any payment made by Acquirer to Merchant shall not be final but shall be subject to subsequent review and verification by Acquirer.

2.04 Endorsement.

Merchant agrees that Merchant shall be deemed to have endorsed in Acquirer's favor any transaction records Merchant presents to Acquirer, and Merchant hereby authorizes Acquirer to supply such endorsement on Merchant's behalf.

2.05 Prohibited Payments

Merchant agrees that Acquirer has the sole right to receive payments on any accepted transaction record as long as (a) Acquirer has paid Merchant the amount represented by the transaction record less the discount therefor and (b) Acquirer has not charged such transaction record back to Merchant. Unless specifically authorized in writing by Acquirer, Merchant agrees not to make or attempt to make any collections on any transaction record. Merchant agrees to hold in trust for Acquirer any payment Merchant receives of all or part of the amount of any accepted transaction record, and promptly to deliver the same in kind to Acquirer as soon as received, together with the cardholder's name and account number and any correspondence accompanying the payment.

(b) Except when authorization is required only because the amount of the transaction exceeds applicable floor limit, Merchant must contact Acquirer's designated authorization center by telephone and advise the authorization center of the specific reason for the authorization request and await instructions.

(c) If authorization is granted, Merchant shall print the authorization number legibly in the designated area on the sales slip.

(d) If authorization is denied, Merchant shall not complete the transaction and shall follow any instructions from the authorization center.

(e) Merchant shall be liable to Acquirer, regardless of any authorization, if Merchant completes a transaction when the cardholder is present, but does not have his Card, the cardholder does not sign the sales slip, or the signature on the sales slip does not match the signature appearing on the Card.

1.05 Retention and Retrieval of Cards. Merchant shall use its best efforts, by reasonable and peaceful means, to retain or recover a Card:

(a) if the account number is listed on the most current Combined Warning Bulletin, and until Merchant receives further instructions from Acquirer's designated authorization center;

(b) while making an authorization request;

(c) if Merchant is advised to retain the Card in response to an authorization request; or

(d) if Merchant has reasonable grounds to believe that the Card is counterfeit, fraudulent, or stolen. The obligation of Merchant to retain or recover a Card imposed by this section does not authorize a breach of the peace or any injury to persons or property, and Merchant will hold Acquirer harmless from any claim arising from any injury to person or property or other breach of the peace.

1.06 Completing the Transaction Record. Except as provided below, Merchant agrees to do all of the following when honoring a Card:

(a) to enter on the sales slip the transaction date, a description of the goods or services sold, and the price thereof (including any applicable taxes) in detail sufficient to identify the transaction;

(b) if the transaction occurs at a gasoline station or at a retail establishment that sells gasoline as a secondary service, to enter on the sales slip the number and state (or other jurisdiction) of the motor vehicle license plate or, if no motor vehicle is present, the words "No Car" (the license number and State or the words "No Car" are not required if the transaction is at an unattended gasoline station where the pump is activated by a magnetic stripe, or if the transaction is for goods or services other than gasoline or other automotive products);

(c) to obtain the signature of the customer on the sales slip;

(d) to compare the signatures on the sales slip and the signature panel of the Card, and if the Card has a photograph of the cardholder, to ascertain that the customer resembles the person depicted in the photograph, and if either identification is uncertain or Merchant otherwise questions the validity of the Card, to contact Acquirer's authorization center for instructions;

(e) to imprint legibly on the sales slip the embossed legends from the Card and from the merchant imprinter plate; and

(f) to deliver a true and completed copy of the sales slip to the customer at the time of delivery of the goods or performance of the services.

1.07 Multiple Transaction Records; Partial Consideration

(a) Merchant must include on one transaction record the entire amount due for the transaction, except in the following instances:

- (i) the transaction involves purchases made in separate departments of a multi-department store;
- (ii) the transaction involves delayed or amended charges for a lodging or vehicle rental transaction in which:
  - (a) the cardholder consented to be liable for such charges;
  - (b) such charges consist of ancillary or corrected charges such as room charges, taxes, or full fees, and not charges for loss, theft, damage, or traffic violations; and
  - (c) Merchant sends the cardholder a copy of the amended or add-on sales draft;
- (iii) the customer pays a portion of the transaction amount in cash or by check at the time of the transaction;
- (iv) all or a portion of the goods or services are to be delivered or performed at a later date, and the customer signs two separate sales slips, one of which represents a deposit and the second of which represents payment of the balance, and the "balance" sales slip is completed only upon delivery of the goods or performance of the services; in which case Merchant agrees:
  - (a) to note on the sales slips the word "deposit" or "balance", as appropriate;
  - (b) if the total amount of the two slips exceeds the applicable floor limit, to obtain prior authorization and note the authorization number(s) on the sales slips; and
  - (c) not to present the "balance" sales slip until all the goods are delivered or all the services are performed;
- (v) the cardholder is participating in an advance resort deposit transaction; or
- (vi) the cardholder is using the installment payment option offered in accordance with section 1.08.

(b) Merchant agrees not to divide a single transaction between two or more transaction records to avoid obtaining an authorization.

1.08 Telephone Orders, Mail Orders, Preauthorized Orders and Installment Orders.

(a) If a Card transaction is made by telephone order (TO), mail order (MO), or preauthorized order (PO), the sales slip may be completed without a customer's signature or a Card imprint, but Merchant agrees:

(i) to print legibly on the sales slip sufficient information to identify Merchant and the cardholder, including: Merchant's name and address, the Card issuer's Interbank number and bank initials (if any), the account

Commercial Bank

VISA MasterCard

e

BANKCARD MERCHANT APPLICATION

nch Type of Business Indiv Partnership X Corporation

iness Name Nature of Business

porate Name CITY OF KEIZER No. of Locations 1 Phone # 390-3700

If more than one, list address on separate sheet

lress 930 CHEMAWA RD NE Mailing Address PO BOX 21000

KEIZER St OR Zip 97303 City KEIZER St OR Zip 97307

ID# 93-0836902 Date Business Established 1982

INCIPALS OF THE BUSINESS

Name	Title	Home Address (include city /zip)
DONALD OTTERMAN	CITY MANAGER	
	DOB	
	DOB	
	DOB	

son to contact concerning this account PAUL FRYKBERG, CITY ACCOUNTANT Ph # 390-3700

cipal Bank of Deposit COMMERCIAL BANK Acct # 0899-570-9

nmercial Bank Business Checking Account Number 0809-002-4

EDIT REFERENCES FOR THIS COMPANY

npany LIEN, HOBSON & JOHNSON Acct # City KEIZER

npany PETERSON ENGINEERING CONSL. Acct # City SALEM,

npany TRUE VALUE HARDWARE Acct # City KEIZER

vious Bank and Branch

lress City St

chant Account Number

Paper Drafts

t-Up Fees $25.00 per location
$25.00 new imprinter purchase, $15.00 used imprinter

Electronic Draft Capture

*Regular merchants option	$300
with Printer	$550
*Restaurant option	$635
includes $10 monthly records retention fee	

-Up Fee – GL # Date $

rinter GL # Date $

rtify that the above information is true, correct and complete to the best of my knowledge. I also authorize Commercial Bank to obtain a credit ort and other information necessary to establish the above firm as a Bankcard Merchant.

ned Title CITY MANAGER Date MAY 3, 1991

ned Title Date

rices effective 4-1-91 call Bankcard Department for current costs.

A SUBSIDIARY OF COMMERCIAL BANCORP

The Commercial Bank

"A Commitment to the Valley for more than a Generation."

March 25, 1991

Dear Bankcard Merchant:

We were very pleased that over 100 of our business customers were able to attend our recent merchant informational meetings that we held on March 21st, and March 22nd. As we disclosed in the Merchant Agreement that we distributed at the meetings, there will be a $12.00 per month discount fee and a Charge Back fee for rejected drafts of $10.00 each to be effective May 1, 1991.

Please note that the minimum charge is not in addition to your regular fee charged for your processing of drafts, only if you do not meet the minimum amount.

All branches of our Bank will have the new merchant agreements and discount tables for you to pick up and review at your earliest convenience. We do need one copy of the agreement signed and returned to the Bankcard Department for your merchant's file records.

MasterCard International has changed its logo and trademark of Interlocking Circles to Red and Yellow with the two colors striped in the center. You, as an accepting credit card merchant, should display the new signeage in your places of business within the next 30 to 60 days. If you do need new <u>decals</u>, <u>tent signs</u>, or other <u>outdoor signs</u>, please call the Bankcard Department at 399-2919 to order at no cost to you. It is necessary, due to our agreement with MasterCard to display the <u>current logo</u>.

We will appreciate your cooperation in this effort.

Sincerely yours,

Carl E. Beach

Carl E. Beach
Assistant Vice President
Bankcard Manager

CEB:ram

RECOMMENDATION

It is recommended that the city council authorize the staff to accept payment of traffic fines by the use of credit card and adopt the attached resolution.

DHO:aag

1982

City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 17, 1991

AGENDA ITEM NO.: 11C

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: SET SPECIAL MEETING DATE FOR BUDGET ADOPTION

There has been a special Keizer City Council meeting tentatively scheduled for June 28, 1991, beginning at 7:30 a.m. This meeting has been scheduled for the Council to address the following:

1. Approval of the 1991-92 Budget
2. Approval of Compensation Committee's recommendation
3. Approval of Workman's Compensation and Liability Coverage

City staff requests City Council concurrence regarding the above aforementioned date and time of said meeting.

DHO:clm

1982

City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

CITY COUNCIL MEETING: June 17, 1991

AGENDA ITEM NUMBER: 11d

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.PA
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: APPROVAL OF COMPUTER SYSTEM UPGRADE PROPOSAL

DISCUSSION:

The 1990-1991 supplemental budget includes funds for upgrading the City's computer system. This upgrade is comprehensive covering hardware, network software, and application software. It is intended to bring the system up to current standards, improve the efficiency of the Staff, and provide a foundation for future improvements without excessive upgrade costs.

A Request for Proposals was issued to all computer dealers listed in the Yellow Pages indicating network experience. A copy of the Request is attached. The proposal method of purchasing was used as opposed to the bid method because of the many intricacies of acquiring, installing, and integrating computer hardware and software into a cost-effective, efficient, and workable system. The proposal method allows the City to assure it is receiving the best "value" as opposed to the best "price." In this vein, the proposals were to address the dealer's recommendations for hardware and software alternatives to the basic specifications, their approach to the project, their proposal for training and support, and their proposed cost.

Responses were received from four dealers. One was not considered in the final evaluation as it only dealt with hardware. The request for proposals envisions this as a "turn-key" project, where one dealer has primary responsibility for the integration of all the system components. It was felt this would be difficult with one dealer providing hardware and another software.

Computer Committee

REQUEST FOR PROPOSALS

COMPUTER UPGRADE PROJECT

Introduction

The City of Keizer, Oregon invites your proposals for providing a major upgrade to the City's computer system.

Specifications

In general, the Computer Upgrade Project will include upgrading the hardware of the file server, upgrading the network software, installing several software packages, refining the system, and providing long-term system administrator services. The specifications for the total Computer Upgrade Project are attached to this request for proposals.

6. The warranties for each physical component of the system and for all work involved in this project.

7. The details of the initial support period, if any, and any extended support period including how the support will be provided.

8. A financial proposal including the total cost for the project with a breakdown indicating the cost for each major component of the specifications. This will include the flat costs for hardware and software purchases, the fee for installation, training, etc., and the rate for providing on-going system support and system administrator services. Also include costs for any changes proposed in response to item 4, above. In addition, indicate the trade-in credit, if any, you will offer for the existing hard disks and the tape backup system. The City may, at its discretion, negotiate contracts with more than one vendor based on proposed costs for seperate components of the specifications. The City also may, at its discretion, negotiate the final price for the contract.

9. The name, address, and phone number of the principal firm making the proposal and of the person within the firm responsible for the proposal.

Site Visitation

A meeting will be held on June 3, 1991 at 2:00pm at Keizer City Hall for the purpose of allowing those interested in submitting a proposal to view the system and ask questions of the staff.

Submission Deadline

All proposals must be received at Keizer City Hall; 930 Chemawa Road NE; PO Box 21000; Keizer, Oregon 97307-1000 by 5:00pm on Thursday, June 6, 1991. Each submission must include four complete copies of the proposal.

Decision Making Process

A committee of City staff members will review the proposals to determine which firm will receive the contract. If there are two or more highly qualified proposals that are

Computer Committee

NETWORK UPGRADE SPECIFICATIONS

HARDWARE

Hard Disk

New

Replace in the IBM-PS/2 Model 80 file server the two existing 100 mg hard drives with a 1.2 gigabyte drive with controller.

Relocate Old

Relocate the two 100 mg drives into other computers on site. Install and verify function.

Back-Up

Install a tape backup system capable of performing unattended backup of the 1.2 G drive. Suggest alternatives for incremental backup that may result in decreased cost.

Modem

Install in the file server a 2400 baud, fully Hayes command set compatible internal modem. Must be available to all network users.

Laser Printer

Extend cabling to relocated laser printer. Distance is estimated at no more than 20 feet from existing hub.

Install for the new modem the latest version of Procomm Plus so it is accessible to all users.

SUPPORT

Network Training

Work with the City's representative and up to two others during the installation process so they gain a working knowledge of the network, the Netware software, and how to generally operate the network. This will include installing new software on the system and in the menu, installing or changing peripherals or computers, managing users, etc. This is not system administrator training with major network maintenance or error diagnosis and correction.

Network Support

Provide a program for supporting the network in one year increments after warranty periods have expired.

System Administration

Provide a program for acting as system administrator responsible for total management of the network including: error detection, diagnosis, and repair; system maintenance to assure efficiency and security; software, menu, and user management; etc. This position will work with the City's in-house computer manager. Provide details on cost, services, availability, response times, etc.

Computer [illegible]

ABACUS COMPUTERS

ABACUS COMPUTERS

- BROTHER
- CITIZEN
- HYUNDAI
- MITSUBISHI
- NEC
- PANASONIC
- SEIKOSHA
- SONY
- TEXAS INSTRUMENTS

QUALITY OAK FURNITURE

362-8921

DOWNTOWN SALEM - 482 COURT ST. N.E.

VISA MASTERCARD

97301

Alpha Computers Inc 525 Glen Ct Rd NW — 371-2054

97304

ALPHA MICRO—

AUTHORIZED DEALERS

CAIR SYSTEMS

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ALTOS COMPUTER SYSTEMS—

AUTHORIZED SALES & SERVICE

COMPUTER SPECIALTIES INC

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DOWNS JAMES E 1392 13th SE — 378-0356

(Continued Page 177)

Yellow Page ads have pull

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For All Your Networking Solutions

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- Custom Programming
- System Design
- Training
- MS DOS Data Base Expertise
- 24 Hour System Support

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IBM COMPATIBLE

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- ON SITE/CARRY IN
- CONTRACTS

- SOFTWARE
- ACCOUNTING SYSTEMS

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SourceMate
INFORMATION SYSTEMS, INC.

- NETWORKS

NOVELL

- PRINTERS

OKIDATA®

- TRAINING

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ELECTRONIC FIELD

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ATWIN COMPUTER SERVICE

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1389 LANCASTER DR NE

FOCUS

ELECTRONICS

COMPUTERS

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SYSTEMS FOR

- ■ BUSINESS
- ■ HOME
- ■ EDUCATION
- ■ GOVERNMENT

FINANCING
ASSISTANCE
AVAILABLE

COMPLETE SUPPORT SERVICES
NETWORKING SYSTEMS

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APPLE & THE APPLE LOGO ARE REGISTERED TRADEMARKS OF APPLE COMPUTER INC.

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SAT 9 - 5

364-4308

2230 FAIRGROUNDS RD NE

97361

mpersand Microcomputing
355 N P[illegible] Monm ——— Salem Tel No 585-9888
PPLE [illegible]ER—
[illegible]UTHORIZED DEALERS
[illegible]EM
FOCUS ELECTRONICS
2230 Fairgrounds Rd NE ——— 364-3289
CORVALLIS
COMPUTER STORE OF CORVALLIS
2305 NW Kings Bv Corvallis ——— 754-0811
LAKE OSWEGO
ALPHA COMPUTERS INC
15150 SW Bangy Rd Lake Oswego ——— 620-7080
PORTLAND
COMPUTERLAND
206 SW Morrison Portland ——— 295-1928
THE COMPUTER STORE
700 NE Multnomah Portland ——— 238-1200

plications Design Inc 97301
47 Commercial NE ——— 362-2432
WIN COMPUTER SERVICE [illegible]
309 Lancaster Dr NE ——— 399-7967
Please See Advertisement Page 175
RACA SYSTEMS & SUPPORT
22 E Main Monm 97361 ——— 838-5714
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Worldwide Information Systems

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- Transaction Processing
- Database Management
- Networking & Communications
- Applications
- Hardware from PCs. & Minis to Midframes & Mainframes

FOR INFORMATION CALL
Bull HN Information Systems Inc
Portland Tel No ——— 233-0444

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iness Equipment Sales 97303
156 Jean St N ——— 393-1280
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BUSINESSLAND.

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Se[illegible]
Apple, [illegible]tosh, Compaq, IBM, NCR,
NeXT, Printers & Software, Training
Network Consulting & Installation
Advanced Systems Support
Service ———
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Businessland Inc
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Beaverton ——— 626-7731
PORTLAND
Businessland Inc 97201
1600 SW 4th Portland ——— 227-2367
ital Computer Sales 97305
63 Silverton Rd NE ——— 362-2630
SCADE BUSINESS SERVICES
0 High NE 97301 ——— 364-5272
Please See Advertisement This Page
SCADE COMPUTER MAINTENANCE
40 Commercial SE 97302 ——— 581-0081
MM-SHACK ELECTRONICS
81 River Rd N 97303 ——— 393-5472
Please See Advertisement Page 174
MMODORE COMPUTERS—
AUTHORIZED SALES AND SERVICE
COMM-SHACK ELECTRONICS
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puter Discount Supply
1 Kingwood Av NW ——— 588-0349

(Continued Next Page)

Creative advertising such as that done in newspapers, television and radio makes people want to buy. D[illegible]l advertising in the U[illegible] Direct Yellow - Pages pro[illegible] the who, where, and when to customers who are ready to buy. It's the final link between sellers and buyers.

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Featuring EASYDATA COMPUTER PRODUCTS AUTHORIZED DEALER

- Sales, Service, Networks, Multi-User Systems
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- Systems Made In U.S.A.
- Nationwide 1 Year On-Site Warranty
- Factory Direct Pricing

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CONSUMER ELECTRONICS STORES
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Salem Center Mall 378-9175
4953 River Rd NE 393-1655

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Major Brands of Hardware/Software
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COMPAQ
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Large Display of Dot Matrix & Daisy Wheel Printers
Magnetic Media Diskettes
Ribbons & Paper

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*ALPS
*FUJITSU
*PANASONIC
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CBS

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If your business is accessible to all, use this international symbol in your Yellow Pages ad.

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IN STORE OR ON SITE SERVICE

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CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91-_____

AUTHORIZING ACCEPTANCE OF BID OF CASCADE COMPUTER MAINTENANCE, INC.

BE IT RESOLVED that the City of Keizer hereby accepts the bid of Cascade Computer Maintenance, Inc. to supply hardware and software computer products at a total cost of no more than $12,400.00 and direct the City Manager or his designee to enter into the appropriate agreements or purchase orders.

PASSED this __________ day of _________________, 1991.

SIGNED this __________ day of _________________, 1991.

____
Mayor

____
City Recorder

824.94

omputers-Dealers (Cont'd)

OMPUTER SPECIALTIES INC

COMPUTER SOLUTIONS
FOR SMALL BUSINESS

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  -Made In USA!
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  -Multi-User (UNIX)
- LANTASTIC Networks
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4817 River Rd N

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OMPUTERLAND 433 Ferry St SE —— 371-1600
Please See Ad on Previous Page

ATA TECHNOLOGY INC —— 362-1346
Please See Advertisement Page 175

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Fully integrated desktop computing systems, VAX computers, workstations, terminals & networks. Complete service and support. Digital has it now.

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[illegible] DATA—

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FARWEST COMPUTERS INC
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CHO COMPUTERS INC
1042 Lancaster Dr NE —— 362-0660
Please See Ad on Previous Page

PSON

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975 SE Sandy Bv Portland —— 236-7978

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189 Liberty St NE —— 399-8342
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2230 Fairgrounds Rd NE —— 364-4308
Please See Advertisement Page 175

FORMULA 1 COMPUTERS CO 97303
1115 Madison NE Suite 601 —— 581-2687
Please See Ad on Previous Page

FUJITSU—

SALES & SERVICE
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975 SE Sandy Bv Portland —— 236-7978

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IBM

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Sales-Branch Office
4263 Commercial SE —— 399-3900
Service Calls
Toll Free-Dial 1 & Then —— 800 426-7378
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AUTHORIZED DEALERS
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IPS COMPUTERS 390 Lancaster Dr NE —— 588-7296
Please See Advertisement Page 176

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AUTHORIZED DEALERS
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546 High NE 97301 —— 363-2744
PC EXPRESS
1011 Valley River Wy Eugene —— 342-1298

M S Computer Systems Inc 97305
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MICRO COMPUTERS FOR BUSINESS

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MULTI USER SYSTEMS
DATA PROCESSING SERVICES
97383 CONSULTING
133 W Regis Stayton —— 769-3445

MICROAGE 3335 Commercial SE 97302 581-7901
Please See Advertisement Page 176

Creative advertising such as that done in newspapers, television and radio makes people want to buy. Directional advertising in the U S WEST Direct Yellow Pages provides the who, where, and when to customers who are ready to buy. It's the final link between sellers and buyers.

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3857 WOLVERINE NE
BUILDING C SUITE 22

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AUTHORIZED DEALER
BUSINESS COMPUTER MANAGEMENT INC
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NATIONAL PHOTOCOPY CORP —— 362-7106
Please See Advertisement Page 176

National Rent-A-Computer
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Northwest Computer Associates
2727 19th SE 97302 —— 588-3190

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AUTHORIZED NOVELL GOLD RESELLER
SMALL SYSTEMS SPECIALISTS
7937 Lakeside Dr NE 97305 —— 393-7067

Oregon Network Consultants
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CONSTRUCTION JOB COST
WHOLESALE/RETAIL
LAW OFFICE MANAGEMENT
BUSINESS ACCOUNTING
NOVELL NETWORKS
UNIX/XENIX SYSTEMS
A DISC Company
97302 362-7778
3240 COMMERCIAL SE

PERSONAL COMPUTER EXCHANGE
2299 Lancaster Dr NE —— 363-7368
Please See Advertisement Page 174

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Academy Square Shopping Center —— 588-7095

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11625 SW Beav-Hisdl Hy Beaverton —— 644-3525

SOFTWARE PIPELINE
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Please See Advertisement Page 176

Tandem Computers 1095 25th SE —— 371-4804

TANDY Academy Square Shpg Ctr —— 588-7095
Please See Ad on Previous Page

Valcom Computer Center
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Sales
3000 Market NE —— 364-2229

Warnock Enterprises
P O Box 2244 Salem —— 585-4621

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[illegible]

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SELECTION
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1135 Commercial NE —— 363-3161

HEINRICH'S COMPUTER FURNITURE—
Fully Adjustable Tables & Workstations
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IPS COMPUTERS

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CHAIRS – ACCESSORIES
PRINTER STANDS
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Toll Free-Dial 1 & Then —— 800 422-7027

TAB PRODUCTS COMPANY —— 581-1914

[illegible]

Data Technology Inc —— 362-1346

[illegible]

ABACUS COMPUTERS 482 Court NE —— 362-8921

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Personal Computer Renting
Long or Short Term Agreements
Service and Support
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Bit By Bit Computers
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- Furniture
- Mouses

COMPUTERS
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- IBM Compatibles

PRINTERS
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- Citizen

SOFTWARE RENTALS AND SALES
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Commodore® AMIGA®

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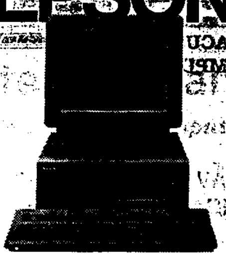
Financing Available

MON-SAT 10AM-6PM, SUN NOON-5

363-5958 1045 LANCASTER DR NE IN ACADEMY SQUARE

EPSON



- COMPUTERS
- LAPTOPS
- PRINTERS

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SALES • SERVICE • SUPPORT

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5008 Commercial SE Salem

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- Business consultations at your office or ours
- Comprehensive training and support programs
- Computer classes and seminars
- Leasing and financing available; credit cards accepted
- Complete Service Center with certified technicians
- Maintenance contracts

Authorized Advanced Products Dealer

EPSON

COMPAQ

HEWLETT PACKARD

Authorized Dealer

AST RESEARCH INC.

NEC

Over 575 Locations

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581-7901

In Portland Call 246-7882
9220 S.W. Barbur Boulevard

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SINCE 1983

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NETWORKS

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Salem Or 97301
(503) 588-7296 / 1-800-422-70
Fax (503) 588-0481

IPS IS REG. TRADEMARK OF IBM

SALES • SERVICE • LEASING

PCX Personal Computer Exchange

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- LONG TERM LEASING
- BUSINESS & PERSONAL
- SOFTWARE
- FINANCING AVAILABLE
- WE TAKE TRADE-INS

AUTHORIZED SALES & SERVICE FOR:

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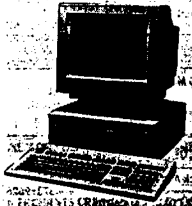
NEC
Panasonic Office Automation OA
CITIZEN
ADVANCED LOGIC RESEARCH, INC.
TOSHIBA

HYUNDAI Practical Compatibles.



363-7368

2299 Lancaster Drive NE
Salem, OR 97305

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commodore

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- PRINTERS
- SOFTWARE
- HOME COMPUTERS
- EDUCATIONAL SALES
- DESKTOP PUBLISHING
- SOFTWARE RENTALS

I.B.M. COMPATIBLES

Factory Authorized Sales & Service

- Commodore
- Star
- Panasonic
- Seikosha

FULL SERVICE

Comm Shack Electronics

393●5472

3881 RIVER ROAD N.

A-Affordable Computers
PO Box 2244 Salem

AT&T COMPUTER SYSTEMS

NETWORKED COMPUTER SOLUTIONS AND UNIX® SYSTEM EXPERTISE

"FOR INFORMATION CALL"

SALES & INFORMATION

AT&T Company
Toll Free-Dial 1 & Then — 800 247-1

MAINTENANCE & REPAIR

AT&T Company
Toll Free-Dial 1 & Then — 800

AUTHORIZED RESELLER

Van Meter McLellan Inc
4370 NE Halsey Portland — 284-7

(Continued Next Page)

Creative advertising such as that done in newspapers, television and radio makes people want to buy. Directional advertising in th U S WEST Direct Yellow Pa provides the who, where, and wh to customers who are ready to buy. It's the final link between sellers and buyers.

SOFTWARE

Network

Back up

Back up all data and the directory structure on the file server's hard disk.

Novell

Install the latest version of Novell Netware on the file server.

Restore

Restore all data and the directory structure to the new hard disk.

Hardware

Install computers and printers on the network as directed. Note: all computers are currently attached to the network.

Menu

Install the Novell menuing system integrating all application software on the hard disk. Establish groups, user names, passwords, etc., as directed by the City representative. Establish menus, etc., for access to peripherals.

Operation

Verify the network is fully operational on all nodes including those with differing versions of DOS and those running Windows 3.0.

Word Processing

Install the City's copy of WordPerfect 5.1 on the network. The City is purchasing a site license separately from this contract.

Database

Install R:Base 3.1 on the network with accessibility for 10 users. The City currently has one single user copy of R:Base 3.1. The vendor is responsible for providing and installing the necessary LAN packages.

Communications

Install the City's copy of Carbon Copy so that it accesses the new modem.

comparable, the committee may decide to invite the proposers in for interviews before making a final decision. The contract will be awarded by the City Manger. . It is anticipated the contract will be awarded by June 14, 1991.

The decision will be based on the quality of the submission, the proposer's experience and skills, the suitability of the proposed program for meeting the City's needs, and the costs.

Additional Information

For additional information contact John Morgan at Keizer City Hall at 390-3700.

Existing System

The City's existing computer system was installed in 1987. The major software and hardware components have not been upgraded since that time other than having additional computers added to the network. There has been no system administrator. The system contains the following components:

1. IBM PS/2 Model 80 file server with two 100 mg hard disks, four megabytes of RAM, and Tecnar QT-60e tape backup.

2. 15 MS-DOS based computers, all on the network along with associated printers. These computers are using various versions of DOS. They include 8086, 8088, 80286, and 80386 based CPU's.

3. Novell Netware 2.12

4. PFS Professional Write, Quattro, and proprietary accounting and utility billing software written in FoxBase are the major applications on the system.

Proposal Elements

Your proposal is to include the following elements:

1. Your firm's or team's experience installing, upgrading, and supporting networked computer systems in a medium sized office similar to Keizer City Hall. This should include several specific locations and the name and telephone number of a contact person for each.

2. Your specific experience, if any, with Keizer's computer system.

3. Your detailed plan or program for meeting each component of the specifications.

4. Your recommendations for changes, deletions, and additions to the specifications in order to improve on the end product. Include specifics on the reasons why, the work involved, and the expected result.

5. Background information on each organization participating in your proposal and a resume for each member of the project team.

There is a fair amount of variance between the remaining three proposals in terms of the details of the service to be provided. However, Staff has attempted to boil the costs for each component of the project down to common elements so they can be evaluated as much as possible in an "apples to apples" fashion. The results are:

Applications Design	$11,703
Bridgeway Computers	$11,855
Cascade Computer Maintenance	$12,400

In reviewing the value of the proposals, the review committee found Cascade Computer to offer the best proposal. This was for several reasons:

- Cascade currently has the City's service and support contract and has served the City very well in this role.
- Cascade has the best knowledge of the current system and the best assessment of the necessary improvements.
- Cascade offered the best proposal for training anticipating training key staff during the installation procedure plus providing eight additional hours of training.
- Cascade will provide the system administrator duties as part of the existing service contract which means no additional cost to the City. Each of the other dealers proposed to perform these services at an additional cost varying between $1,200 and $2,200 per year.
- Cascade is local and therefore able to provide quicker service than Bridgeway which is located in Portland. Applications Design is also local and would be able to provide the same advantage.

There are approximately $11,800 remaining in the various computer line items in this year's budget. If Cascade Computer's proposal is accepted, the $600 difference will be made up from other line items with remaining fund balances at the end of the fiscal year.

RECOMMENDATION:

It is recommended Council adopt the attached resolution approving the proposal of Cascade Computer Maintenance, Inc.

City of Keizer - Public Works Department

Phone: 390-3700 • 393-1608
930 Chemawa Rd. N.E. • P.O. Box 21030 • Keizer, Oregon 97307-1030

COUNCIL MEETING: June 3, 1991

AGENDA ITEM NO.: 4b

TO: MAYOR and CITY COUNCIL

FROM: KEVIN WICKMAN, PARKS DIRECTOR

THRU: DONALD H. OTTERMAN, CITY MANAGER

SUBJECT: COMMUNITY SERVICE AWARDS

<u>ISSUE:</u> The Keizer Parks Advisory Board and City Staff, would like to recognize individuals and groups who through donations of labor or materials improve and maintain our City Parks. These efforts are greatly appreciated by all who enjoy our Parks.

<u>BACKGROUND:</u> (award #1) The Keizer Rotary Club, led by current President Wes Craven, has constructed and donated PICNIC TABLES for our Parks this year as well as last. The Keizer Rotary Club has been and continues to be an organization dedicated to our community and is well deserving of our thanks.

(award #2) Archie Gallihugh, a long time Keizer area resident, has helped with PARK MAINTENANCE in our parks for a number of years. A good portion of the labor he has provided has been volunteered. Projects have included; painting, bridge and swingset repair and other as needed odd jobs. His help and concern has helped to make Park use safer and more enjoyable.

* 1 - 8X10 Community Service Award for Keizer Rotary

1 - 8X10 Community Service Award & 1 - 7X13 Picture for Mr. Gallihugh

2

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

CITY COUNCIL MEETING: June 3, 1991

AGENDA ITEM NUMBER: 6a

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.PA,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: MCNARY ACTIVITY CENTER PLAN

DISCUSSION:

The public hearing on the draft <u>McNary Activity Center Plan</u> is to open this evening. However, the Planning Commission has not completed the draft and asks the Council to hold the hearing open until June 17, 1991.

The Commission expects to complete its draft at its meeting of June 12, 1991. It will be forwarded as soon as possible to the Council and also made available to the public.

A flyer was distributed to the property owners within the Activity Center advising them of the delay and suggesting they hold their testimony until June 17th. However, the Council should take testimony of any citizens that wish to present theirs this evening.

RECOMMENDATION:

It is recommended the hearing be opened, testimony received, and be held over to June 17, 1991.

-5

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 3, 1991

AGENDA ITEM NO.: 8

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: APPOINTMENT OF MEMBERS TO THE CHARTER REVIEW COMMITTEE

DISCUSSION

The City Council, in 1983, appointed members to the Charter Review Committee. The Charter Review Committee's charge was to review and identify any potential changes to the city's newly adopted Charter. In June, 1988, Mayor Simon, in correspondence to the members of the Charter Review Committee, stated that the City Council had decided to abolish the formal standing committee, but that he anticipated that when the need arose, the Council would appoint an ad-hoc committee to advise the Council in the area of Charter amendments. He also requested that he be able to contact the former members of the Committee to determine if they would be interested in serving on an ad-hoc committee, if the need arose.

The City Council did, by Ordinance 88-118, adopted July, 1988, abolish the Charter Review Committee. Therefore, the City Council cannot simply appoint members to the Charter Review Committee, but must appoint a new committee and develop a charge for that committee. The Ordinance that created the Charter Review Committee, and provided for its functions and duties, was adopted November 5, 1984. A copy of that Ordinance is attached to this agenda statement.

I would recommend that the City Council review this Ordinance and determine whether the duties of the Charter Committee, as were set out in the original Ordinance, are the duties that the City Council would like the Charter Review Committee to work within when they are called together for this specific purpose of reviewing the Charter for amendment.

The following decisions need to be made by the City Council:

1. Does there need to be a change in the city's Charter that should be reviewed by the Charter Review Committee?

2. If there is a change that the City Council wishes to

BILL NO. 017

A BILL
FOR

ORDINANCE NO. 84-036

AN ORDINANCE CREATING A CHARTER REVIEW COMMITTEE; PROVIDING FOR ITS FUNCTIONS AND DUTIES

THE CITY OF KEIZER ORDAINS AS FOLLOWS:

SECTION 1. THE KEIZER CHARTER REVIEW COMMITTEE COMPOSITION, TERMS AND VACANCIES.

A. The Keizer Charter Review Committee is hereby created. The committee will have the powers and duties herein set forth, and such additional powers and duties as may be conferred on the committee by the City Charter, Ordinances, Resolutions or orders of the City Council.

B. The committee shall consist of five voting members. The members shall be appointed by the Mayor and shall serve for a term of four years. The terms of office shall be staggered so that the term of office of not more than two members will expire in the same year. Notwithstanding the other provisions of this section, the initial term for committee members originally appointed upon the passage of this ordinance shall be established by the Mayor in order to achieve the proper staggering of terms. Members may be chosen from among such persons as may be concerned with a review of the Charter and making recommending changes.

C. In the event a vacancy occurs, the Mayor shall appoint a successor to serve out the unexpired term of the predecessor.

D. Members of the committee shall not receive any

Charter.

4. Recommend appropriate changes to the Council.
5. To provide the City Council with an annual written report of its activities for the previous calendar year on or before January 31st.

Passed this 2 day of December, 1984.

Signed this 5 day of December, 1984.

Mayor

Susan Darby

City Recorder

compensation for their committee services.

SECTION 2. ORGANIZATION.

A. The committee shall elect a chairperson and vice-chairperson annually. No person may serve more than two consecutive terms as chairperson or vice-chairperson.

B. Three members shall constitute a quorum.

C. The committee shall establish a time and place for their regular meetings. The committee shall meet at least once every calendar quarter. The chairperson, or any other three members may call a special meeting upon not less than 48 hours notice to the others members.

D. The committee shall establish and alter rules and regulations for its governance and procedures, consistent with the charter and ordinances of the City of Keizer and orders of the City Council.

SECTION 3. POLICY, FUNCTIONS AND DUTIES.

A. It is hereby declared to be the policy of the City of Keizer that all matters pertaining to Charter revisions by submitted to the committee for recommendation to the City Council.

B. Duties of the committee shall be:

1. To receive recommendations for changes to the Charter.
2. Determine that changes are consistent with State statutes and Federal laws.
3. Hold public hearings on proposed changes to the

have reviewed by the Charter Review Committee, should the Council reinstitute the formal Charter Review Committee, or should the City Council appoint members on an ad-hoc basis?

3. If the Council determines that the Charter Review Committee should be reconstituted, either in its former form or as an ad-hoc committee, does the City Council feel that Ordinance 84-036 is adequate to lay out the charge for the committee? If not, there needs to be a new charge for the committee developed.

4. If the Council determines that it is appropriate to have the Charter Review Committee meet to discuss a possible amendment to the Charter, the City Council should appoint members to the Charter Review Committee and clearly define whether this committee is an on-going committee or a committee that will meet on an ad-hoc basis.

DHO:clm

Attachment

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* 5 *

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

CITY COUNCIL MEETING: June 3, 1991

AGENDA ITEM NUMBER: 9

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.PA,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: COUNCIL GOALS FOR 1991-1992

DISCUSSION:

At its prior two meetings, the City Council has reviewed scheduling and resource demands for achieving its goals for fiscal year 1991-1992. Attached to this report is a draft strategic plan for achieving the goals. This includes a brief narrative of the plan and a revised timeline.

The Council will note that the draft plan does not assume all the goals will be achieved in one year, nor will they all necessarily start during the year. It attempts to provide a realistic picture of what can be done with the existing staff and what additional resources will be necessary to achieve the goals.

RECOMMENDATION:

It is recommended the Council adopt the Strategic Plan for the Council Goals - 1991-1992.

Goals Relating to Keizer Tomorrow

VISION STATEMENT - DECEMBER THROUGH JULY

Develop a community vision statement based on the findings of the Keizer Tomorrow Committee.

Keizer Tomorrow will be adopting its recommended vision statement in November and forwarding it on to the Council.

The Council will review the draft, hold a public hearing, and adopt a final statement by January. The adopted vision will then be used to guide the 92-93 budget process and other related budget activities. (See Budget section, below.)

MISSION STATEMENT - NOVEMBER THROUGH FEBRUARY

Review, update and adopt city's mission statement

After completion of the Vision Statement, Keizer Tomorrow will begin review of the Mission Statement. This review will be in light of the vision and of the Committee's perceptions of the community's view of city government.

Keizer Tomorrow's recommendations on the Mission Statement will be reviewed by other interested groups, such as the Planning Commission, Parks Committee, Citizens Advisory Committee, city staff, and other groups.

The City Council will review the recommendation. If there are to be changes, a public hearing will be held followed by a final decision.

POLICE SERVICES - JANUARY THROUGH APRIL

Adopt and support a police services staffing plan.

Based on a staff task force, and using the BPST report as a guide, an analysis will be made of the existing police services, the desired services, and the staffing needed to achieve the desired service level. The direction for this analysis will be based on the recommendations of Keizer Tomorrow.

The task force report will be forwarded to Council in the spring. It will be the subject of a public hearing followed by adoption. The report's recommendations will guide the 92-93 budget process and the five year budget projections.

The Council will hold a public hearing on the draft followed by adoption.

Subsequent years will be the prior CIP serving as the foundation for the new one, with finished projects eliminated, new projects added, and necessary adjustments made to those already part of the program.

FIVE YEAR BUDGET PROJECTIONS - MAY THROUGH JUNE, ANNUALLY

Develop an annual five year budget projection.

The five year budget projection will be based on a staff analysis of three budget areas: on-going program needs; extraordinary costs to maintain services; and maintenance needs. A projected budget will be developed for each. These coupled with the CIP budget will form the budget projection.

The projections will be reviewed and adopted by the Council.

TAX BASE - JULY THROUGH JUNE

Gain voter approval of an updated tax base.

The major thrust of this work will be for staff to support the Keizer Tomorrow process and then to take the final vision and develop a budget for its implementation. The need for and scope of a new tax base will become evident through this process.

Following Council adoption of the budget, staff and Council will support a tax base committee during the campaign anticipating an election in May.

Goals Relating to Community Involvement

COMMUNITY INVOLVEMENT - JULY THROUGH JUNE, ANNUALLY

Evaluate and implement an organized program to enhance communication to and from citizens on city issues and processes, i.e., television, community Council meetings, newsletters, speakers' bureau, etc.

The Citizens Advisory Committee will have major responsibility for this work. It will involve identifying and analyzing alternatives for both on-going community involvement and special programs. Recommendations will be made to the City Council.

Staff, with Council direction, will have primary responsibility for implementing and maintaining the adopted community involvement programs.

TRAFFIC SAFETY - SEPTEMBER THROUGH DECEMBER

Establish and support funding for traffic safety priorities, i.e., bike paths, Whiteaker Middle School rear bus entrance, Sandy Drive/River Road lighting.

The Traffic Safety Committee will identify traffic problem areas. Following a public forum, the Committee will develop specific recommendations. These will be fed into the CIP process.

FISCAL IMPACT ANALYSIS - APRIL THROUGH DECEMBER

Evaluate requiring fiscal and services impact statements on new development.

The Planning Commission will take the lead on this project with work performed by the Staff. Alternatives will be identified and analyzed. The Commission, after public input, will develop a recommendation.

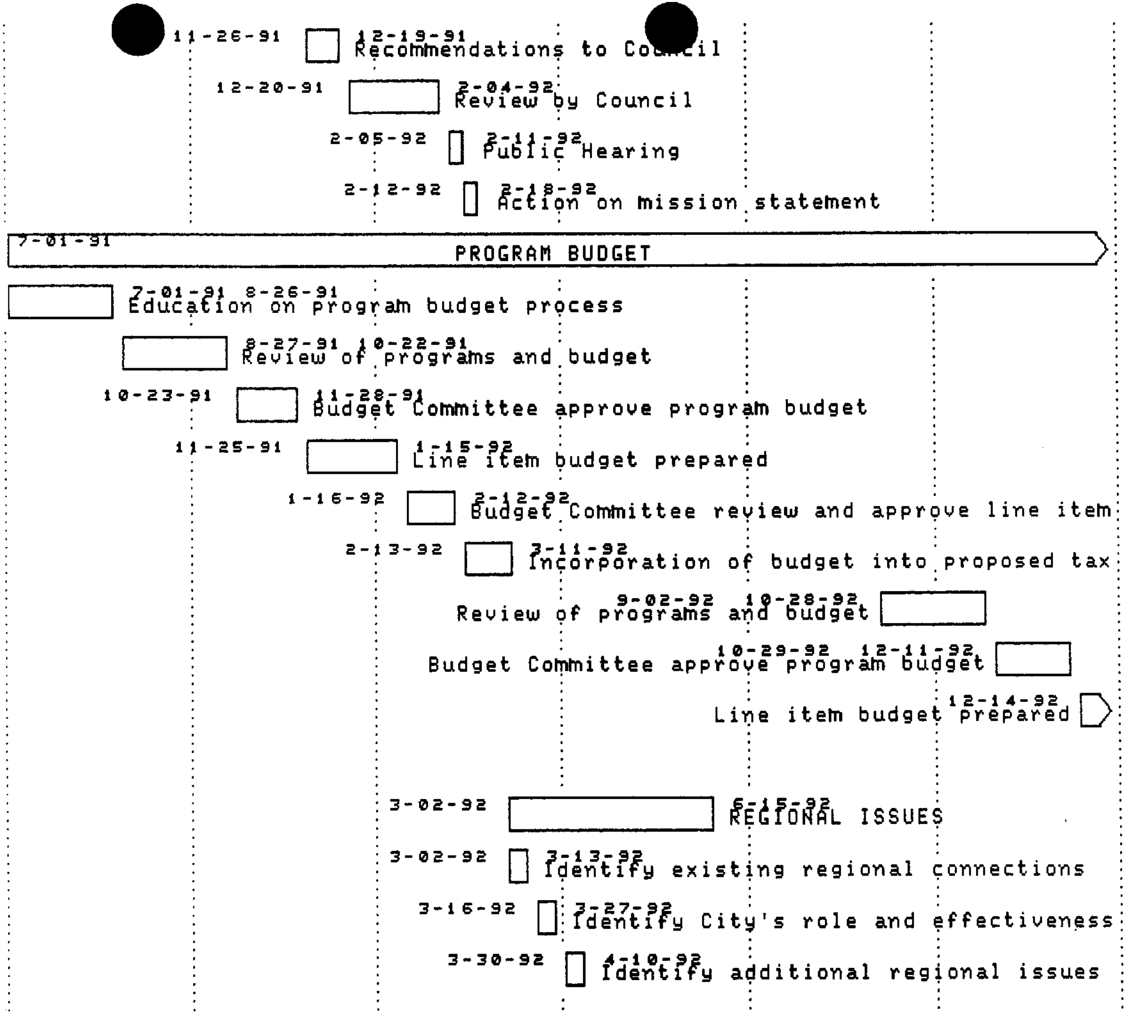
The Council, following a public hearing, will review and take action on the proposal.

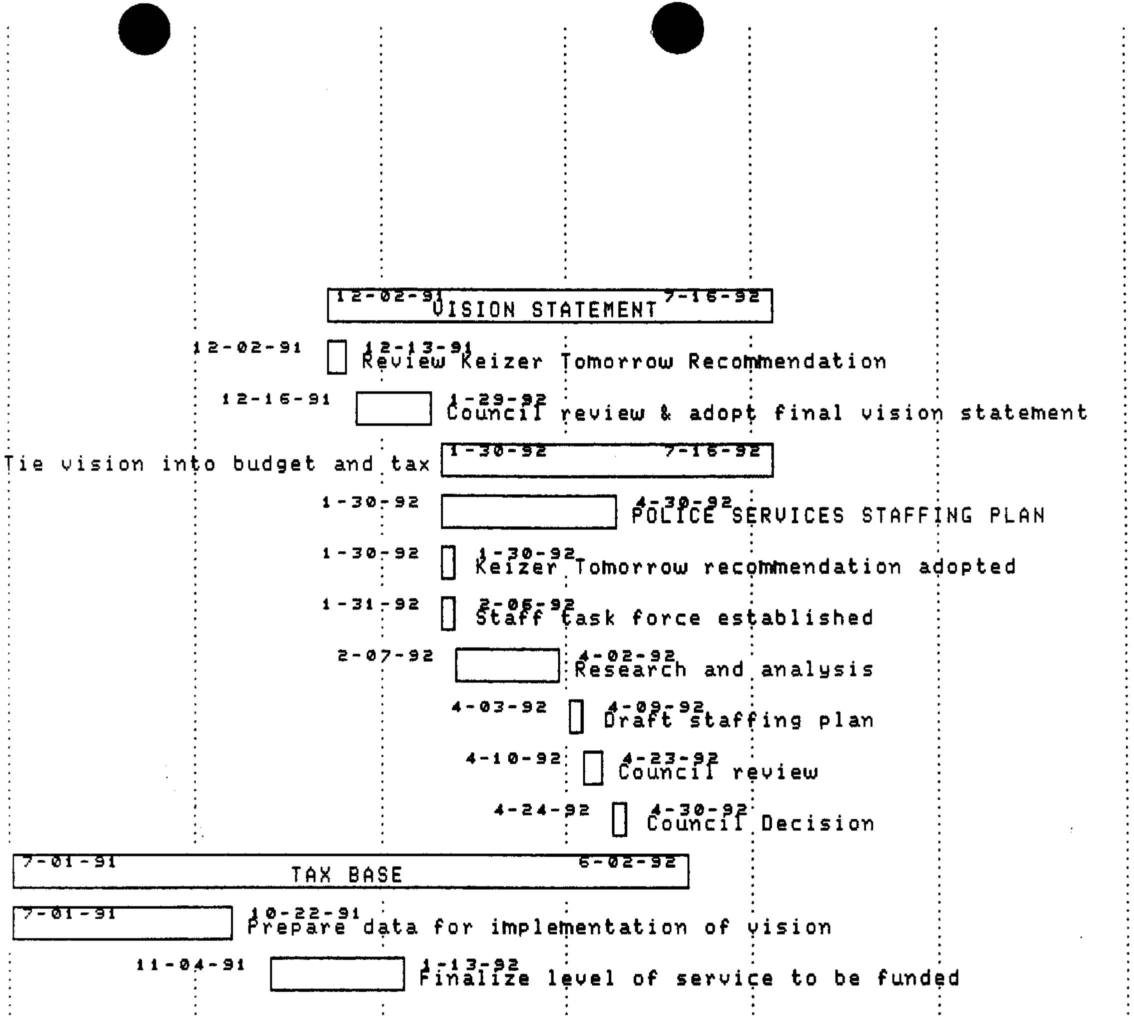
Goals Relating to Government Function

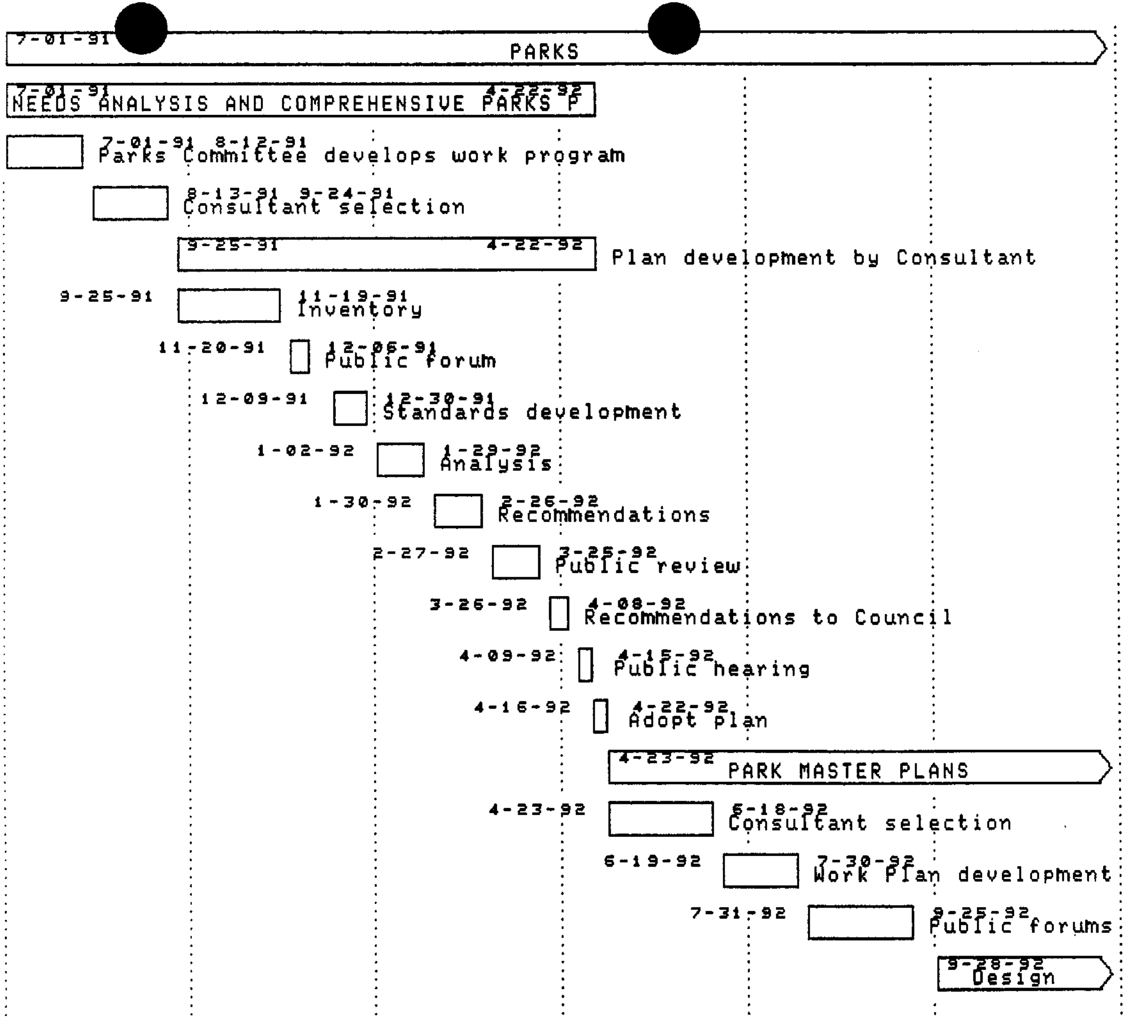
REGIONAL ISSUES - MARCH THROUGH JUNE

The Staff, working through the Council, will identify the existing regional connections and regional issues yet to be resolved.

A strategy for dealing with these issues will be identified. It will be reviewed and approved by the Council.


11-26-91 12-19-91 Recommendations to Council
12-20-91 2-04-92 Review by Council
2-05-92 2-11-92 Public Hearing
2-12-92 2-18-92 Action on mission statement
7-01-91
PROGRAM BUDGET
7-01-91 8-26-91 Education on program budget process
8-27-91 10-22-91 Review of programs and budget
10-23-91 11-28-91 Budget Committee approve program budget
11-25-91 1-15-92 Line item budget prepared
1-16-92 2-12-92 Budget Committee review and approve line item
2-13-92 3-11-92 Incorporation of budget into proposed tax
Review of programs and budget 9-02-92 10-28-92
Budget Committee approve program budget 10-29-92 12-11-92
Line item budget prepared 12-14-92
3-02-92 6-15-92 REGIONAL ISSUES
3-02-92 3-13-92 Identify existing regional connections
3-16-92 3-27-92 Identify City's role and effectiveness
3-30-92 4-10-92 Identify additional regional issues


12-02-91 VISION STATEMENT 7-16-92
12-02-91 12-13-91 Review Keizer Tomorrow Recommendation
12-16-91 1-29-92 Council review & adopt final vision statement
Tie vision into budget and tax 1-30-92 7-16-92
1-30-92 4-30-92 POLICE SERVICES STAFFING PLAN
1-30-92 1-30-92 Keizer Tomorrow recommendation adopted
1-31-92 2-06-92 Staff task force established
2-07-92 4-02-92 Research and analysis
4-03-92 4-09-92 Draft staffing plan
4-10-92 4-23-92 Council review
4-24-92 4-30-92 Council Decision
7-01-91 TAX BASE 6-02-92
7-01-91 10-22-91 Prepare data for implementation of vision
11-04-91 1-13-92 Finalize level of service to be funded


7-01-91
PARKS
7-01-91 NEEDS ANALYSIS AND COMPREHENSIVE PARKS P 4-22-92
7-01-91 8-12-91 Parks Committee develops work program
8-13-91 9-24-91 Consultant selection
9-25-91 4-22-92 Plan development by Consultant
9-25-91 11-19-91 Inventory
11-20-91 12-06-91 Public forum
12-09-91 12-30-91 Standards development
1-02-92 1-29-92 Analysis
1-30-92 2-26-92 Recommendations
2-27-92 3-25-92 Public review
3-26-92 4-08-92 Recommendations to Council
4-09-92 4-15-92 Public hearing
4-16-92 4-22-92 Adopt plan
4-23-92 PARK MASTER PLANS
4-23-92 6-18-92 Consultant selection
6-19-92 7-30-92 Work Plan development
7-31-92 9-25-92 Public forums
9-28-92 Design

TRAFFIC SAFETY	9-03-91	12-02-91
Traffic safety committee identifies problem areas	9-03-91	9-30-91
Public forum	10-01-91	10-07-91
Development of recommendations	10-08-91	11-27-91
Input to CIP process	11-25-91	12-02-91
On-going program	7-03-92	
LIBRARY SERVICE ALTERNATIVES	1-30-92	7-17-92
Keizer Tomorrow makes recommendation	1-30-92	1-30-92
Appoint Keizer library committee	1-31-92	2-13-92
Committee hires consultant	2-14-92	3-12-92
Research into alternatives	3-13-92	4-09-92
Town hall meetings to receive input	4-10-92	5-07-92
Compile information and develop recommendati	5-08-92	6-05-92
Report to Council	6-08-92	6-19-92
Council hearing on library plan	6-22-92	7-03-92
Adoption of library plan	7-06-92	7-17-92
FISCAL IMPACT ANALYSIS	4-02-92	12-01-92
Planning Commission identify issues	4-02-92	4-29-92
Identify alternatives	4-30-92	5-11-92

1982

City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
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COUNCIL MEETING: JUNE 3, 1991

AGENDA ITEM NO.: 10

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: PROPOSED AMENDMENT TO PERSONNEL POLICIES REGARDING USE OF CITY EQUIPMENT

DISCUSSION

City Councilor Koho has requested this item be placed on the City Council agenda for consideration by the City Council. Councilor Koho had originally prepared a draft Ordinance amending the Personnel Policies, regarding the use of city equipment. However, the Personnel Policies have been adopted by City Council, by motion at a City Council meeting, and not by separate Ordinance. Therefore, I have revised Councilor Koho's recommended Ordinance and request the City Council consider adding Section 2.18 to the already adopted Personnel Policies. Section 2.18 pertains to the use of city equipment and establishes a policy that city equipment shall not be used in a manner that either incurs costs or exposes the city to liability and does not permit the usage of city vehicles for personal gain or to avoid personal expense and does not permit the usage of city vehicles for reasons not directly related to city business. This policy includes, but is not limited to, the usage of city vehicles as well as city telephones and photocopy equipment.

The proposed policy also establishes a mechanism whereby the City Manager can establish a policy to permit the usage of city telephones and photocopy equipment on an emergency basis, provided that the city is reimbursed for such usage.

RECOMMENDATION

It is recommended that the City Council review the attached policy. If the Council wishes to enact such a policy, it would simply take a motion by the Council to approve Section 2.18 for the Personnel Policies.

DHO:clm
f:\admin\Personnel.adg

Attachment:
Proposed Section 2.18 (Use of City Equipment)

USE OF CITY EQUIPMENT

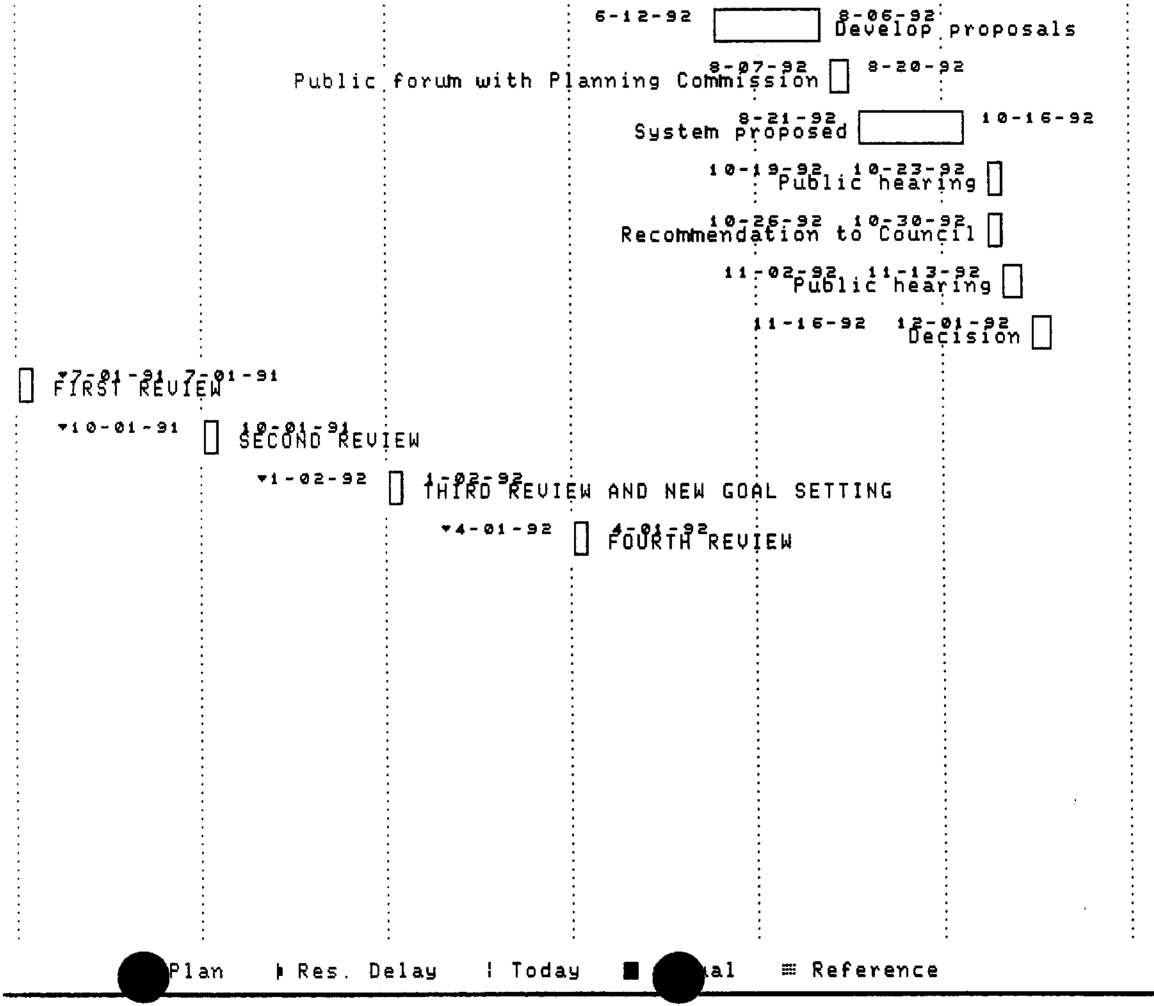
Section 2.18

Use of city equipment in a manner that either incurs costs or exposes the city to liability or the use of city vehicles for personal gain, to avoid personal expense or for reasons not directly related to city business is prohibited. This includes, but is not limited to, use of telephones for long distance calls, any use of cellular telephones, use of photocopy equipment and use of vehicles, unless specifically allowed by policy adopted pursuant to these policies.

Violation of this policy is just cause for disciplinary action in accordance with these policies or an applicable collective bargaining agreement.

Nothing in this policy shall preclude the implementation of a policy by the City Manager providing for the reimbursement by employees of charges for emergency calls. The City Manager may also establish a policy for payment of photocopy expenses.

QUOTE SECTION 3.4 (c)


6-12-92
8-06-92
Develop proposals
8-07-92
8-20-92
Public forum with Planning Commission
8-21-92
10-16-92
System proposed
10-19-92
10-23-92
Public hearing
10-26-92
10-30-92
Recommendation to Council
11-02-92
11-13-92
Public hearing
11-16-92
12-01-92
Decision
▾7-01-91
7-01-91
FIRST REVIEW
▾10-01-91
10-01-91
SECOND REVIEW
▾1-02-92
1-02-92
THIRD REVIEW AND NEW GOAL SETTING
▾4-01-92
4-01-92
FOURTH REVIEW
Plan
Res. Delay
Today
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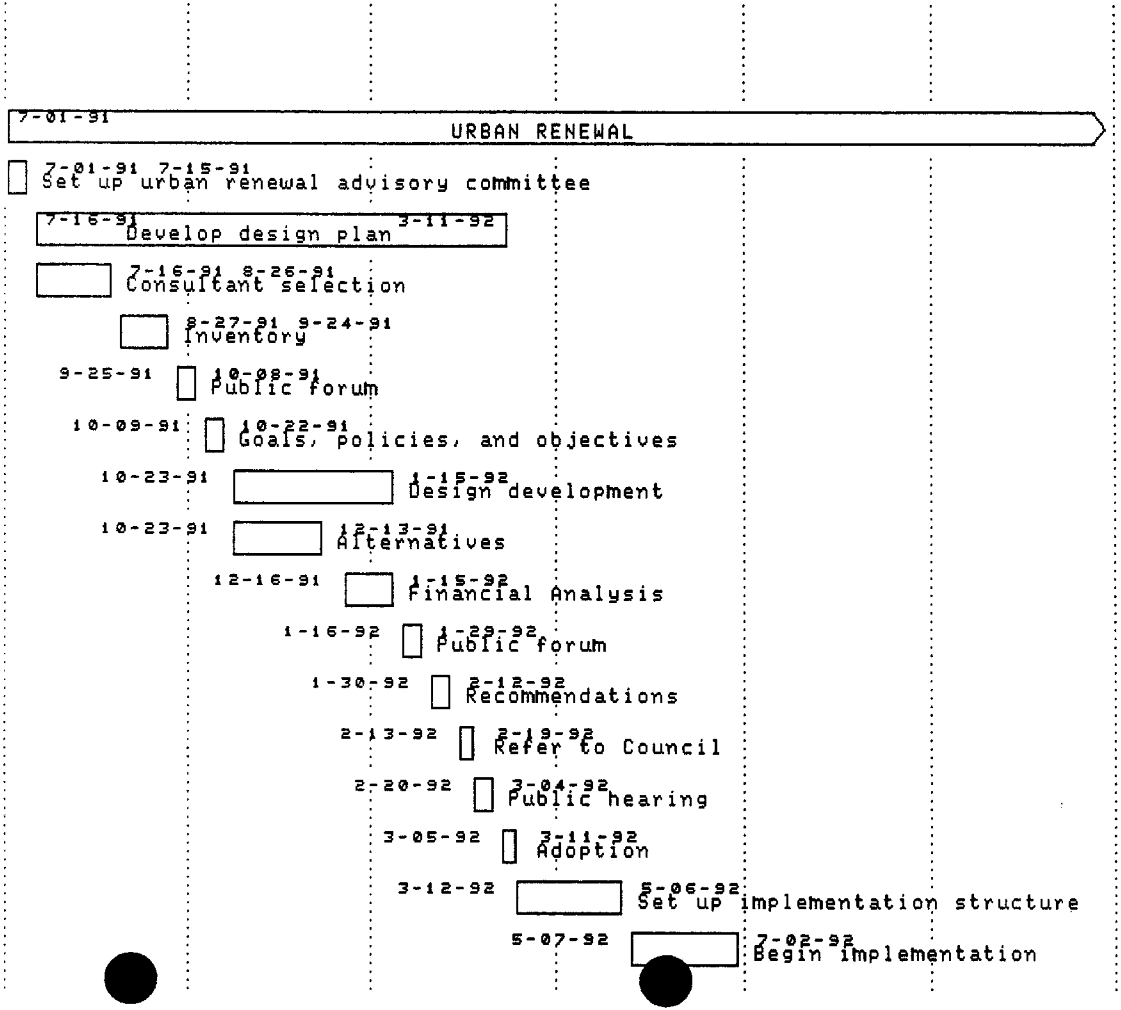
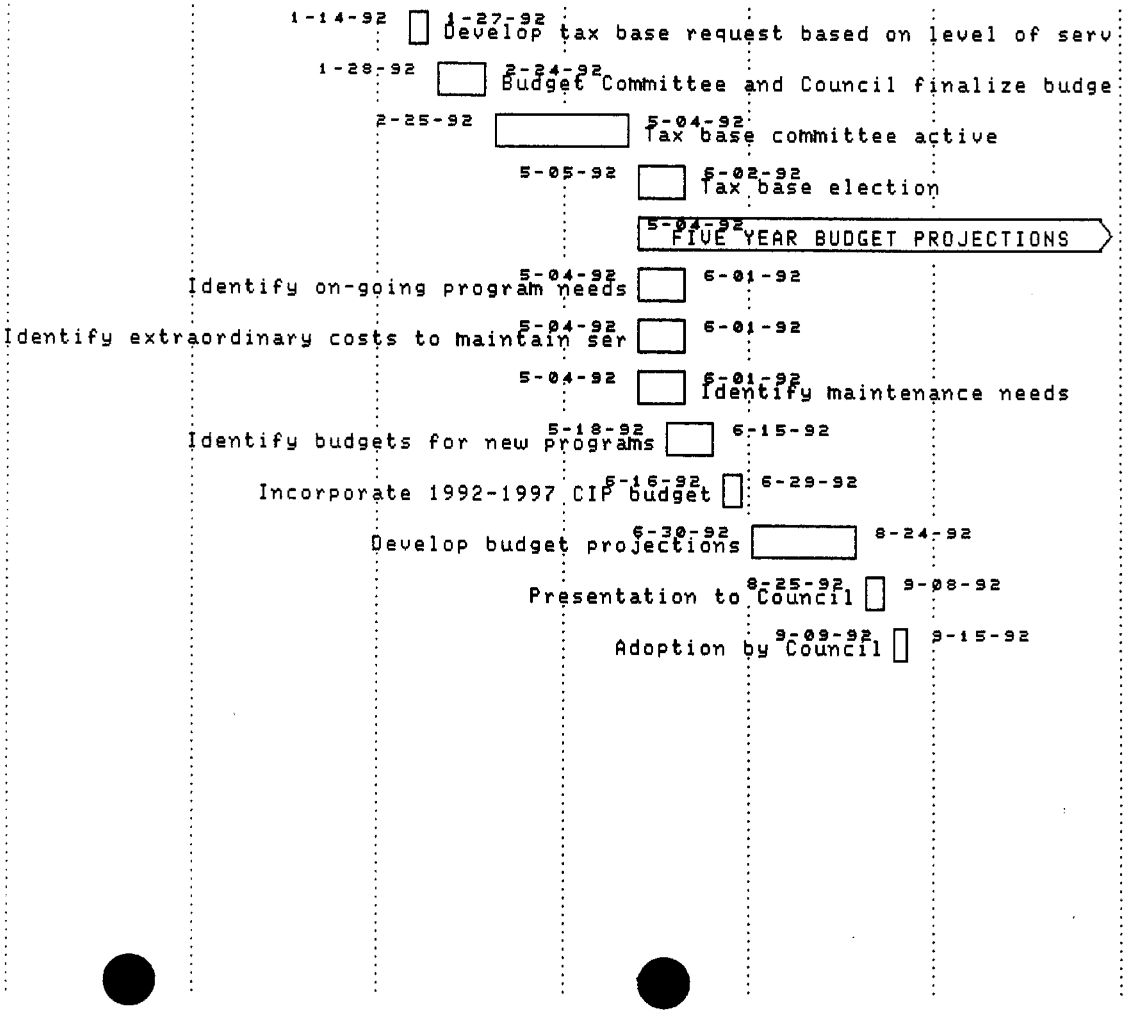
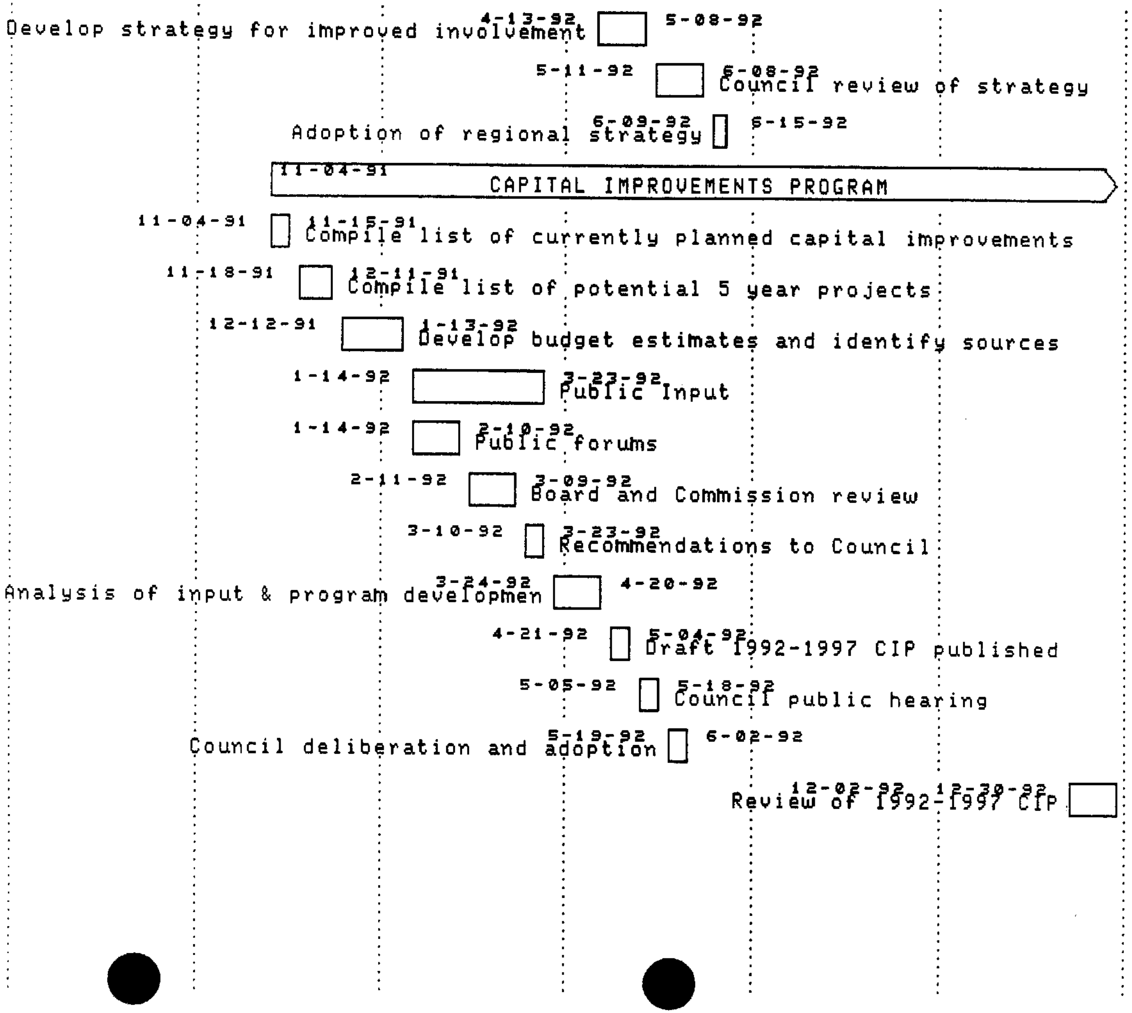
Reference

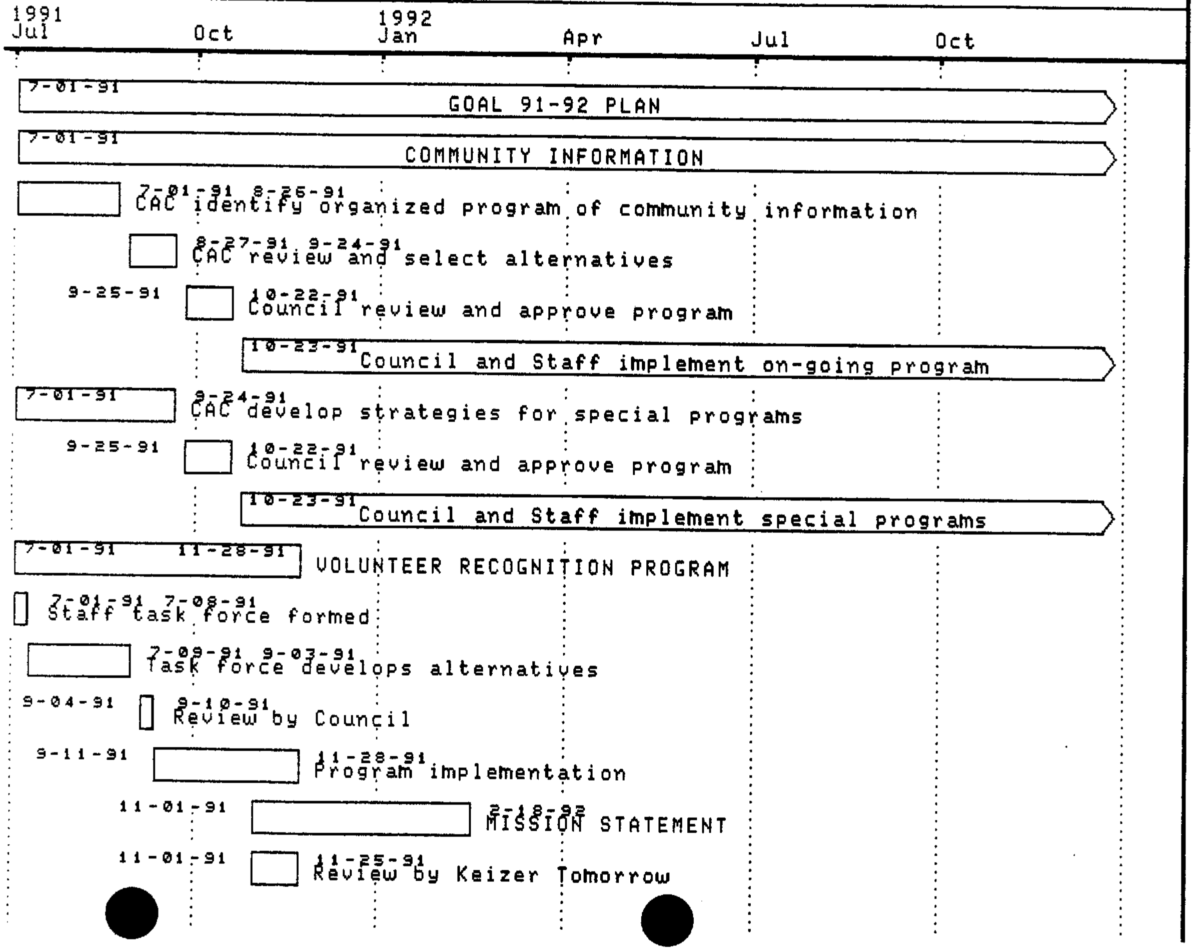

7-01-91
URBAN RENEWAL
7-01-91 7-15-91
Set up urban renewal advisory committee
7-16-91 Develop design plan 3-11-92
7-16-91 8-26-91
Consultant selection
8-27-91 9-24-91
Inventory
9-25-91 10-08-91
Public forum
10-09-91 10-22-91
Goals, policies, and objectives
10-23-91 1-15-92
Design development
10-23-91 12-13-91
Alternatives
12-16-91 1-15-92
Financial Analysis
1-16-92 1-29-92
Public forum
1-30-92 2-12-92
Recommendations
2-13-92 2-19-92
Refer to Council
2-20-92 3-04-92
Public hearing
3-05-92 3-11-92
Adoption
3-12-92 5-06-92
Set up implementation structure
5-07-92 7-02-92
Begin implementation


1-14-92
1-27-92
Develop tax base request based on level of serv
1-28-92
2-24-92
Budget Committee and Council finalize budge
2-25-92
5-04-92
Tax base committee active
5-05-92
6-02-92
Tax base election
5-04-92
FIVE YEAR BUDGET PROJECTIONS
Identify on-going program needs
5-04-92
6-01-92
Identify extraordinary costs to maintain ser
5-04-92
6-01-92
5-04-92
6-01-92
Identify maintenance needs
Identify budgets for new programs
5-18-92
6-15-92
Incorporate 1992-1997 CIP budget
6-16-92
6-29-92
Develop budget projections
6-30-92
8-24-92
Presentation to Council
8-25-92
9-08-92
Adoption by Council
9-09-92
9-15-92


Develop strategy for improved involvement 4-13-92 5-08-92
5-11-92 6-08-92 Council review of strategy
Adoption of regional strategy 6-09-92 6-15-92
11-04-91 CAPITAL IMPROVEMENTS PROGRAM
11-04-91 11-15-91 Compile list of currently planned capital improvements
11-18-91 12-11-91 Compile list of potential 5 year projects
12-12-91 1-13-92 Develop budget estimates and identify sources
1-14-92 3-23-92 Public Input
1-14-92 2-10-92 Public forums
2-11-92 3-09-92 Board and Commission review
3-10-92 3-23-92 Recommendations to Council
Analysis of input & program developmen 3-24-92 4-20-92
4-21-92 5-04-92 Draft 1992-1997 CIP published
5-05-92 5-18-92 Council public hearing
Council deliberation and adoption 5-19-92 6-02-92
Review of 1992-1997 CIP 12-02-92 12-30-92

5-28-91

KEIZER CITY COUNCIL GOALS FOR FY 91-92



VOLUNTEER RECOGNITION PROGRAM - JULY THROUGH NOVEMBER, ANNUALLY

Consolidate and implement a city volunteer recognition program.

A staff task force will develop alternatives for review by the Council. The program will be implemented in the fall. This cycle will be followed annually.

Goals Relating to Community Development

PARKS AND PARK DEVELOPMENT - JULY, 1991 THROUGH APRIL, 1993

Conduct an analysis of the overall need for future parks. Complete a master plan for each park.

This goal has two distinct components. The first is to do a comprehensive parks plan. The second is to do master plans for each individual park.

The comprehensive parks plan will be prepared by a consultant under the direction of staff and the Parks Committee.

The plan will have four components: inventory; standards development; analysis of needs and opportunities; and identification of a plan. It will include public forums followed by a Council public hearing and adoption.

The parks master plans will be based on the facility and acreage recommendations of the comprehensive parks plan. New plans will be developed by a consultant for parks without plans. Existing plans will be updated by the consultant to reflect the recommendations.

The development of these plans will include public forums and a public hearing before the Council before they are adopted.

URBAN RENEWAL - JULY THROUGH JUNE, ANNUALLY

Begin implementation of the urban renewal plan.

The plan implementation process will begin with the reformulation of the Urban Renewal Advisory Committee.

A Consultant, working with Staff, will develop a first year plan with three components: an urban design plan; an on- going implementation program; and a project for completion in year one.

This plan will be the subject of a public forum followed by public hearings and adoption by the Urban Renewal Agency.

LIBRARY SERVICE ALTERNATIVES - JANUARY THROUGH JULY

Investigate new ways to participate in alternative library services.

A citizen task force will take the lead for this project, with major work and analysis provided by a consultant.

The consultant will be responsible for analyzing library needs and the community's desire for local library service. Further, the consultant will identify and analyze alternatives for library service.

Forums will be held on alternatives for the service followed by development of a final recommendation to Council.

Council will hear the issue and render a final decision. Appropriate adjustments to the budget will be made.

Goals Relating to the Budget Process

PROGRAM BUDGET - JULY THROUGH FEBRUARY, ANNUALLY

Begin process for converting to a program based budgeting approach.

The first year of preparing a program budget will begin with education of the Budget Committee on the program budget process.

Programs that may be included in the budget will be identified. Planned results, work tasks, levels of service, and budgets will be developed by staff for each program to be included in the draft budget.

Public meetings will be held on the programs. If adopted by the Budget Committee, the draft budget will be prepared. It will follow its normal course of Budget Committee meetings and hearings followed by Council hearings and adoption.

In year two, the development of the annual program budget should be able to start much later in the year and be completed more easily as there will already be a foundation for the work.

CAPITAL IMPROVEMENTS PROGRAM - NOVEMBER THROUGH MAY, ANNUALLY

Develop a prioritized capital improvements plan for the city.

This process of developing a program for major capital improvements for the five years after the current budget year will begin with staff compiling all planned and potential projects. Budget estimates will be made for each.

Public review will consist of public forums, review by boards and commissions, and development of a final staff draft.

City of Keizer

Council Goals
1991-1992
Strategic Plan

Introduction

The City Council of the City of Keizer adopted goals for Fiscal Year 1991-1992 in January of 1991. This strategic plan is intended to define how the Council, Staff, and Community will go about achieving those goals.

The 16 goals cover a broad arena of community activities and services. This plan recognizes that work to achieve each goal will need to be performed by Council members and citizens. The major commitment of time, however, comes from professional resources. While the City staff will be responsible for the substantial job of managing the work on each goal, the actual work will need to be performed through a variety of resources. These include City Staff support, consultants, and volunteer staff. The Plan will identify a strategy for providing the necessary resources for each goal.

Many of the goals are interrelated. Some cannot start until others finish or are at least underway. This is reflected in the scheduling. Many of the goals are dependent on other activities, such as the work of the Keizer Tomorrow Committee, and cannot start until these functions are completed.

All of the goals must be balanced against the work load of the staff. Even those goals being addressed through outside resources will require staff support and management. Therefore, each goal is scheduled according to a reasonable estimate of staff availability and the amount of necessary involvement.

Some of these goals are planned to be started and finished within the fiscal year. For others FY 91-92 will mark the beginning of a long, or on-going, process.

The goals are broken down into general functional areas so the relationships can be better understood.

5

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 3, 1991
AGENDA ITEM NO.: 11a

TO:	MAYOR AND CITY COUNCIL
FROM:	CHRIS MORELAND, ADMINISTRATION SECRETARY
DATE:	MAY 30, 1991
SUBJECT:	CITY COUNCIL MINUTES - MAY 6, 1991

City Councilors were requested to amend the attached minutes and call in their corrections to city staff. To date, staff has not been contacted by Councilors. Therefore, the attached minutes require amendments.

clm

Attachment

MINUTES

Keizer City Council
May, 6, 1991
Robert L. Simon Council Chambers

CALL TO ORDER

The meeting was called to order by Mayor Orcutt at 7:34 p.m. Roll call was taken as follows:

Present
Andrew J. Orcutt, Mayor
Mike Hart, Councilor
Dennis Koho, Councilor
Jerry McGee, Councilor
Al Miller, Councilor
Bob Newton, Councilor
Joe Van Meter, Councilor

Staff
Donald Otterman
John Morgan
Wally Mull
Chuck Stull

PUBLIC TESTIMONY

There was no public testimony to come before the City Council.

COMMITTEE REPORTS

Judge Erik Larson - gave a presentation on the Municipal Court. He explained that Court arraignments were changed from Wednesday evenings to Wednesday mornings to accommodate a level of comfort for the citizens attending the arraignments. The Police Department now presents their citations in two shifts one at 8:00 a.m. and at 9:00 a.m. and this has leveled out the flow of citizens in the courtroom at one time. Trials are held every other Monday and Thursday at 5:30 with 8-12 defendants being tried. We have four pro-tem judges -Mike Hanson, Gil Bellamy, Tom Knapp and Mark Gieger. He will be looking for a fifth pro-tem in the near future. We have two court clerks who maintain statistics for the court. He explained that the statistical data has been revised to show a more accurate count of no-shows and what action the Department of Motor Vehicles can take as a follow up.

The public hearing was closed.

Councilor Koho moved to amend ordinance #87-078 Keizer Zoning Ordinance KZO regarding manufactured housing in certain residential zones and repeal ordinance #90-187 and declaring an emergency.

Motion carried unanimously on first reading.

DISCUSSION - GOAL STRATEGIES

Mr. Otterman explained that this was the first draft of a timeframe and the steps to implement the goals that the City Council set at its goal setting session in March.

Mr. Morgan explained the staff report as written. He briefly reviewed - Community Information, Volunteer Recognition, Mission Statement, Program Budget, Regional Issues, Capital Improvements Program, Vision Statement, Police Service Staffing Plan, Tax Base, 5 year budget projections, Parks -Needs Analysis and Master Plan, Urban Renewal Program, Traffic Safety, Library Service Alternatives and Fiscal Impact Analysis. It will be brought back to the Council at their May 20th meeting for further discussion after the council has had time to review the time lines.

Councilor Hart commented that he thought this was a good framework to proceed with and he appreciated what Mr. Morgan had done on this.

DISCUSSION - PERSONNEL POLICIES

Mr. Otterman explained his review of the revision of personnel policies pertaining to department personnel heads and employment status. He referred to policies in his staff report. 1- Department Heads would be at-will employees with no protection under the personnel policies which is what it had been prior to December. 2 - Full protection under the personnel policies which is what happened with the LGPI version of the Personnel Policies that were adopted by the Council. 3 - A contract for each of the department heads with severance pay if dismissed with no cause. Similar to the contract that he has with the city. 4 - At will employment subject to removal by the city manager but removal appeal to the city council. 5 - At will employment removal appeal if it was for no cause. 6- If removed from office, for no cause, there would stay with the charter and that would be Mr. Otterman's decision. If discharged without cause, that would be appealable to the council. He also stated that the severance pay should be by policy or general practice and that it should be two weeks to one month.

Councilor Hart asked who is the appointed city officer other than the city manager.

Mr. Lien answered that everybody that isn't elected for service of the city is an appointed city officer.

Councilor Miller stated that in the last meeting a question was brought up on whether this would apply to future hires or if it could be made applicable to current department heads. He also recalled having discussed previously with Mr. Lien to check with LGPI. Mr. Lien was going to research that issue.

Mr. Lien stated he could not find a case directly on the point, but did find other cases similar to this, that discussed personnel polices. It reserves, to the appointed governing body, the right to change the rules. It does not limit to prospective employees. The rules can be changed to current employees.

Councilor Miller expressed concen about what has happened to change it since about one week ago.

Mr. Lien stated that the change was that he found some cases. He also said that they would have to be very careful when changing the rules.

Councilor Van Meter requested clarification from Councilor Hart and Councilor Newton, as to whether or not there had been problems in the past with Department Heads, as at-will employees, that the City was not able to negotiate to the City and Employee's satisfaction that would require the City to do something different than what they have done in the past, 1982-1990. Councilor Newton responded that there had been no instances to his knowledge. Councilor Newton offered that there had been an informal process.
The City looked to the City Manager to deal with all of the personnel matters and relied

Don Otterman, or who ever might follow. He felt that person would be in charge of the City and those Department Heads report to the City Manager. He did not feel you could run the City with five or six Department Heads running around and trying to do their own thing, undermining the City Manager, and he did not make accusation that was the case, but that it was possible at some point in the future. He felt a dangerous precedent could be set and it needs to be looked at extremely carefully.

Councilor Koho stated all points were well taken. He expressed that if contracts were offered and negotiated by the City Manager for the Department Heads, all problems discussed above could be eliminated, i. e., the need for appeal by offering some sort of severance pay benefit and at the same time offer some sense of security to the Department Heads.

Councilor Miller stated that some of the Council Members were discussing severance pay if there is dismissal without cause. He felt that was an entirely different issue as dismissal with cause. He also felt that the positions of Department Head are somewhat unique in that the Department Heads, for the most part, cannot just go out and readily find another job. He felt there should be some kind of security if someone is going to be dismissed without cause. He stated it would be fair to offer them six months severance pay. He stated concern about no appeal rights to the Council since, as Councilors, all should be aware of what is going on at City Hall. He felt he could foresee a situation where some Department Head without appeal rights may be dismissed by the City Manager relying on a misunderstanding or inaccurate information and the Department Head having no say whatsoever. He expressed he was unsure of that solution.

In addition, he stated concern about looking at the legal authorities before the Council took any action and wanted to check into the legal ramifications based upon what LGPI had said in the past. He offered to assist John in researching them further to see exactly where the City stands.

Councilor Van Meter commented that jobs are readily available for a majority of the people not sure that was a thorough enough examination. He asked John Lien's opinion.

Mr. Lien stated the research had been exhausted in Oregon and that they had also looked at alot of federal law.

He stated he was comfortable with the theory that the City can change the rules and unless an employee had a contract, the present employee doesn't have any right to complain about changing the rules as long as they apply to everybody and not directly to a particular person.

Councilor McGee moved for the adoption of Number 4. It does not make severance pay automatic as does Number 3. It does not mean that severance pay is not forthcoming. It is silent on that issue. With a contract, however, he stated if there is some modification in the personnel rules, the Council could have to carefully modify each contract.

Councilor Newton seconded the Motion made by Councilor McGee.

Mayor Orcutt asked for further discussion on the Motion. Councilor Van Meter asked John Lien if there were case law that would tell the Council what removed for cause is. John Lien stated that there are several cases on what constitutes cause. Councilor McGee asked if it would be a consultation between the City Manager and the City Attorney to determine whether it was with cause or without and research a legal precedent. John Lien replied that he thought that would be the case.

Councilor Koho stated that he opposed the Motion. He commented that it was a wiser idea to incorporate this concept into contracts negotiated individually with Department Heads.

Councilor Mike Hart stated that he opposed the Motion. He commented that he felt Number 3 allowed for severance pay but did not specify the amount. He stated that he agreed with that particular concept.

that previously the council had approved contracts, all the contracts. He stated he presumed the council could delegate the right to approve the contracts, that they are done by the City Manager, and, they do not necessarily have to come back to the City Council.

Mayor Orcutt stated what the Council would approve would be a blanket contract with no names and the City Manager fill in the names and the departments. City Manager Otterman stated the department head would basically serve at the pleasure of the City Manager, but, would have a contract and if he is dismissed for no cause, there would be severance pay established in the contract. Then, he stated, under those conditions, there would be no appeal to the City Council. Mayor Orcutt stated that would be correct.

Councilor McGee asked what the boiler plate contract would gain for the City Council. He asked if they were discussing a boiler plate or an individual contract.

Councilor Koho stated that he, in deed, was talking of a individual contract and not a boiler plate contract. He stated a boiler plate contract certainly could work with the first part of the negotiations between the City Council and the City Manager to determine exactly what would want to be offered and what circumstances. They should be more specific in the months of severance pay the Council would want to offer. A decision should be made in what direction the Council would want to proceed and then the Council could get down to the specifics after that.

Councilor Newton stated that was the basis of his motion. He suggested that the City Manager and the Council would have to agree on the nature and the scope of the contract in advance and then the City Manager would carry that forward. The Council would then want to talk about the level of severance pay and the days off and then the City Manager would negotiate the contract with the department head. That would include anything that might deviate from the normal personnel policies.

City Manager Otterman stated that he was comfortable with a boiler plate approach as

DISCUSSION - LA BRISA LIQUOR LICENSE RENEWAL

Mayor Orcutt stated that on April 25 and May 2, Councilor Van Meter, Mayor Orcutt, Chief Stull, and Carol Bartlett, representing La Brisa met in the Mayor's office. They discussed solutions to lower calls for service to La Brisa. The following tentative agreement was reached: (1) La Brisa shall employ a parking lot monitor on Friday, Saturday, and Sunday nights. The monitor would be identified wearing apparel with La Brisa on the back and a name tag identifying the person as a restaurant employee. (2) La Brisa will contact the electrical utility and will have two pole lamps installed at the north end of the parking lot in order to provide additional illumination on Friday, Saturday, and Sunday. (3) La Brisa will attempt to reduce the number of police calls to the establishment by use of motion detectors inside the restaurant and disengaging alarm systems on the doors and outside handles which should cut down on the sixteen false alarms they had with their burglar alarm last year. (4) There would be a 90 day trial period, and the Council would review the number of calls for service afterwards. Mayor Orcutt stated they recently cut their hours back to 1:00 a.m. for new business and closing down at 1:30 a.m. There had been a recommendation that La Brisa close to new business at 12:30 and stop serving at 1:00. La Brisa would like to continue with the 1:00 a.m. and 1:30 a.m. for all business hours for a 90 day monitoring period. The 12:30 time was the only disagreement at that time.

Councilor Van Meter stated he appreciated meeting with Carol Bartlett and felt it was a very constructive conversation.

Carol Bartlett, representing La Brisa, applauded the Mayor for doing an excellent job. She distributed copies of the proposal to all council members. She further stated that negotiation sessions were very helpful. She stated that she would like to propose amendment to condition number one that during summer months the employee would not have to wear a jacket but the name would be on the apparel and the employee would be identified. She stated Salem Utility had been contacted and she felt the costs were going to be those arrests in Keizer.

Councilor Miller stated he was greatly concerned with drunk driving and the conditions set forth in the proposal don't address that issue. Councilor Miller recommends the license be denied because his concern over the drunk driving arrests coming out of La Brisa.

Councilor McGee stated he is going to vote in favor based upon the fact that he feels the recommendation will carry some weight to the OLCC, but, more importantly, the effort that has been started will do more for correcting any problems that may exist, drinking or otherwise, short of closing the establishment. If the Council chooses to close La Brisa there would be no more problems. He felt, however, that the Council was tying to reach solutions to the problems. He expressed the 90 day review was important and corrective action could be taken at that time.

The motion was passed by the following vote:

AYES: (5)

NAYS: (1)

ABSTAIN: (1) Koho

Mayor Orcutt apologized for not recognizing citizens who wished to make public comment.

William Frohnmeyer, a Keizer citizen and business owner expressed concern about the decision made by the Council relating to La Brisa. He expressed that he felt the issue was the City's infringement on the civil rights of the Hispanics in the community. Councilor Koho expressed that his concern was for traffic safety. Councilor Miller expressed his great concern about DUII's and one's nationality should not be considered in dealing with drunk driving. Councilor Miller stated his concern was for the Citizens of Keizer.

Employee Kathy Russell of La Brisa commented before the Council. She expressed the hard work the employees of La Brisa put forth in trying to prevent DUIIs.

DISCUSSION - WILLOW LAKE AREA OF INFLUENCE AGREEMENT

John Morgan reported on the meeting between Keizer and Salem. He indicated Salem did not want to go along with the proposal to exclude 14 acres from the special policy area. He further stated a summary was attached. The Councils were to respectfully work toward reaching further agreement.

Councilor Miller asked for clarification on possible arbitration. Mr. Morgan stated regional issues must be resolved prior to presenting to LCDC.

Councilor Koho requested an estimation of cost should the matter go to arbitration. Mr. Morgan stated an independent party was suggested to be brought in but he had no estimate of costs. He felt the costs would be shared by the other jurisdictions, Salem, Keizer, and Marion County.

Manager Otterman stated the possibility of a mediator had been discussed previously. He stated the City of Salem was not willing to participate.

Councilor Miller moved that the council refuse to sign the agreement and adopt the third recommendation that will lead to further negotiation and possible arbitration through LCDC. The Motion was seconded by Councilor McGee.

Councilor Koho expressed his disagreement stating they had previously voted to sign the document. He suggested the Council sign the agreement and press for the amendment.

Councilor Mike Hart stated he would vote against the Motion and reiterated Councilor Koho's statement. He further stated negotiations had gone on for some length with one last item. He felt the City of Salem was not going to participate until the study was completed in that area. He expressed concern about the City of Keizer not cooperating with the City of Salem is poor policy.

Councilor Van Meter stated he was in agreement but was going to vote in favor of the Motion. He felt the City of Keizer should stand up, however, felt the timing was poor.

reasonable. She stated false alarms were going off due to the type of alarm system. La Brisa has a new manner in handling alarms and will be using the motion detector as opposed to the magnetic dot on the doors. She concurred in the 90 day trial periodas proposed.

Councilor Koho stated he was a director of Salem Electric and because of that he would be abstaining from any vote.

Councilor Van Meter moved to accept the provisions that have been negotiated as the conditions for the Council to recommend to the OLCC that La Brisa receive their liquor license. The motion was seconded. by Councilor Newton

Councilor Miller requested clarification of of the DUII report from the Police Cheif. He stated that the report listed four establishments that were directly related to DUII arrests and questioned whether the report also listed establishments where alcohol was served along with food and if it did, how many arrests were attributed to those establishments. Chief of Police indicated he did not have that information. Councilor Miller stated he would be voting against the motion. The action taken by the Council is only a recommendation to the OLCC and would not have any effect on the closing down of the business. He commended Councilor McGee on his detailed study that he conducted of the police reports. Councilor Miller wanted to publicly thank Councilor McGee for his dedication. Councilor Miller further stated concern about the conditions in the motion and felt they were not adequate to satisfy his concerns about the establishment. He noted there were 23 calls for assistance by the staff of La Brisa. He further stated they were specifically calls for help. He expressed concern not only about the type of customers but the inability of the establishment to control its customers. He stated his greatest concern was that last year there were 21 DUII arrests attributed to the La Brisa restaurant customers where they last consumed alcoholic beverages. The others show Keizer Brau #2, Sportsman #4, McNary #1. The figures are not even close and he was greatly concerned. He noted that La Brisa would account for 75% of opposed to city council approving individual contracts and then ending up being responsible for department heads.

John Lien suggested what they would want to consider in lieu of individual contracts was a set of rules for department heads, i.e., the amount of severance pay dismissed with cause and the amount dismissed without.

Councilor Van Meter asked if current department heads would re-apply for positions or would they start new. If there is a problem of discipline on any department head and you change the rules, and you have entered into a contract, where does the City Manager stand by way of his corrective action.

Mr. Lien stated you have to separate whether you have an actual contractual obligation with the employee where the rights are defined, as opposed to the unilateral imposition of rules by the employer. The law states that if you do not have a contract the employer can change the rules. If you do have a contract, you cannot change the rules unless you both agree.

Councilor Miller expressed his concern about voting on any motion which changes anything at this time. He stated an executive session was scheduled that could or could not involve these particular policies or procedures and until that issue is completely dealt with, he stated that he had serious misgivings about taking any vote at this time to attempt to change any rules in any way

Councilor Koho stated he agreed with Councilor Miller but did not feel it would prohibit the Council in stating a direction in which way they should go. He stated that if the terms of the employment could be changed at any time with the department heads, then they could adopt a contract for them to sign. He stated the Council should give City Manager Otterman the authorization to put on paper what some of the terms of employment would be.

Mayor Orcutt asked for further discussion and Councilor Koho called for the question.

AYES: (6)

NAYS: (1) MILLER

Mayor Orcutt asked for further comments from the Council and question was called for.

AYES: (3) McGee, Van Meter, Newton

NAYS: (4) Hart, Orcutt, Koho, Miller

The Motion ~~died~~. failed

Councilor Newton made a motion that the Council adopt recommended alternative Number 3. It was seconded by Councilor Koho.

Mayor Orcutt asked for further discussion from the Council.

Councilor McGee stated that the Council was going into uncharted ground by talking about severance pay. He asked if there was legal precedent for that. He asked if it would be a negotiation between the City Manager and Legal Counsel or City Manager and the Employee or City Manager and the Council.

Mayor Orcutt stated the contracts would discuss what the severance pay would or would not be and those contracts would come back to the Council for approval. Councilor McGee commented on the Council being involved in the hiring or the approving of the contract with the employees.

Mayor Orcutt stated that the Council was approving the format of the employment contract. City Manager Otterman stated that the Council would be approving the concept of the contracts for the Department Heads. He indicated further that at this point there had been no discussion what would be in those contracts or who would have the final say on approval. City Manager Otterman stated that if the Council had the final say on the contracts, then it was his belief that the Council was hiring department heads.

Councilor McGee stated that he did not feel that would be legal within the Charter.

Mayor Orcutt asked what City Manager Otterman was asking for. City Manager Otterman stated he was not asking for City Council approval of the contracts. He stated further that may be a problem with the Charter. Mr. Lien stated working for the City. He stated the League of Oregon Cities publishes a monthly newsletter advertising such jobs. He disagreed with the comment that the jobs were not readily available. They may not be desirable but they are available. He expressed concern that there is a conflict in the City Charter with micro-managing and how far the Council can go to undermine the City Manager.

Councilor Bob Newton stated he wanted to see the other information that John Lien had and felt the Council was not ready to give City Manager direction at this Council Meeting.

Councilor Mike Hart stated that the role of the City Council is the policy making board of the City and from that point, the council stops the running of the City. He stated the running of the City belongs to the staff. Council tells them what it is they want and then it is up to them to do the job they were asked to do. If a question arises, whether personnel or whatever, it should be taken directly to the City Manager and left there.

Councilor Jerry McGee stated he generally agreed with Councilor Hart. He stated he had a conflict, however, wherein he felt everyone was entitled to an appeal. He expressed agreement with policy option of dismissal for cause, and the Council should not get involved in that. The "at-will" without cause, however, deserves some type of appeal. He felt it should be to the Council.

Mayor Orcutt stated he felt negotiating contracts with the Department Heads would be ample protection and give the City what the council is looking for. He stated John Lien had provided the requested information, as well as, his advice, and feels that either way the Council decides to go, they are in good shape. He expressed he was in favor of negotiating contracts for the Department Heads.

Councilor Miller expressed his concern was not questioning John Lien's legal opinion, but, the short notice John Lien was given with which to come up with cases to support the Council's position. He stated it is a highly technical field and John Lien has come up with the cases in the past week but stated he was very heavily on the City Manager's input. He recalled that process worked very effectively and there were no problems.

Councilor Van Meter suggested that since it had been working from 1982-1990, he felt there was no need to reinvent the wheel and suggested the City go back to the way they did it before. Mayor Orcutt asked if he suggested things be left as they are. Councilor Van meter suggested as they were, not as they are.

Councilor Newton suggested, referring to Number 4, there should be protection of all the Department Heads with an appeal process from any arbitrary decision. He felt this should be first and foremost. Secondly, he felt if the City established a 6 months severance pay, as an example, that is a substantial amount of money and you would not want to do two, three, or four of those a year. He felt it would be a severe impact on the budget process. He mentioned in December the personnel policy was put into place to formalize what, had up to that point, been a rather informal process. What he believes was not pointed out effectively was this was for all of the employees, and, to include the Department Heads.

Council Van Meter questioned when other employees had been dismissed had there been severance pay given, and again, reference is made to Councilor Hart and Newton who have the history, or, perhaps John Lien who has been involved since the inception of the City. Councilor Newton said he could not recall if there had been severance paid.

Councilor Van Meter stated he had two concerns. He stated he thought the City would be breaking new ground with severance pay. He felt there would be a problem unless they became involved in micro-managing the City, that the Councilors need to stay out of Department Heads lobbying the Council if they get into a disagreement with the City Manager. He also stated that the Council members simply did not have the time to get involved in micro-managing.

He felt the Council must trust the person who they appoint, whether it be a Roy Payne or a be a negotiated severance. There are alternatives for the council to consider.

Mayor Orcutt asked Mr. Otterman how he would handle it if someone did not like the contract offered by the City if the contract approach was approved.

Mr. Otterman replied a contract would be presented to department heads somewhat along the lines of his contract. He stated he didn't think it would be a problem. If they didn't come to an agreement, he would come back to the council and discuss it in an executive session.

Councilor NEWTON stated he was partial to giving department heads an appeal for any removal. He asked Mr. Otterman what difficulties they would be confronted with if they were to choose that alternative.

Mr. Otterman stated that there is a conflict with the charter. According to the charter, the city manager is responsible for the employees other than those answering to the council. He noted that there may be the question of several individuals trying to make a decision on a person's job performance.

Councilor Koho stated he had interest in the idea of negotiating contracts. He expressed concern about "at-will" without the advice and consent of the council.

Councilor Hart questioned Mr. Lien on the charter under chapter five, page four, section twenty-one, sub C, sub three. He asked if this impacts what they are doing and discussing tonight.

Mr. Lien answered that it does.

Councilor VAN METER asked Mr. Lien which of the five examples does he believe would be legal to enact.

Mr. Lien stated they could use any of them. He suggested a further look at the appeal process to the city council.

Councilor McGee stated interest in "at- will" employment removal appeal if for no cause. Yet, if with cause the council will strictly

He explained the concept of using Mastercard and Visa charge cards to pay for fines. He reviewed the National Traffic Safety Institute and their methods of training juvenile offenders. He explained the arraignment reports to the Council members.

Councilor McGee asked how hearing impaired or deaf citizens were dealt with.

Judge Larson explained that currently they have not had to deal with this situation but he would communicate in writing to the citizen and ask them to return when we could provide an interpreter.

Councilor Miller complimented Judge Larson for doing a fine job.

Councilor Newton questioned the return to court of the weekly statistics report.

Judge Larson explained that typically this is a citizen who does not have proof of insurance at the arraignment and will return with this proof.

PUBLIC HEARING - MANUFACTURED HOUSING ORDINANCE

Mayor Orcutt reopened the public hearing on the Manufactured Housing Ordinance.

Mr. Morgan explained that this hearing has been held over from three weeks ago and referred to the material which was distributed in the Councils packets. He summarized that the ordinance allows manufactured housing on single lots in the RL, RS and RM zones as if they were a typical stick built house and the conditions placed on this type of housing. He explained that there was an emergency clause on this ordinance due to citizens who were waiting for their permits.

Councilor Koho asked if passage of this ordinance would bring the city into compliance with State law.

Mr. Morgan stated that it would.

Mr. John Loaka, 709 Lost Lane, Keizer, is waiting to get a permit to set up a manufacturer home at this address. He would be happy to meet all the requirements as stated in the ordinance and is in favor of it.

Mayor Orcutt expressed concern about ramifications for not completing the comprehensive review and it is necessary to move ahead. He also expressed sanctions which may come down from LCDC. He further stated it was a good project for the City of Keizer however, the City of Salem's concerns had merit.

The motion failed.

AYES: (3) Miller, McGee, Van Meter
NAYS: (4) Orcutt, Koho, Newton, Hart

Councilor Koho moved the Mayor be directed to sign the agreement but that City Officials continue to press the issue when appropriate. The motion was seconded.

The motion passsed.

AYES: (4) Orcutt, Koho, Newton, Hart

NAYS: (3) Miller, McGee, Van Meter

CONSENT - CALENDAR

Councilor McGee stated he would like the Establishment of Compassionate Leave Pool be taken off the consent calendar.

The remaining consent calendar consisted of:

- April 15, 1991 regular session minutes

Councilor Koho stated he had a minute correction on page 19 of the City Council Minutes.

He stated the minutes read "I opposed liquor license renewals for all establishments" and should read "all drinking establishments."

It was moved and seconded that the minutes be approved.

Motion passed.

- Establishment of Compassionate Leave Pool

City Manager Otterman outlined suggestions for a compassionate leave pool. Employees would donate sick time to the pool. He stated each case would be considered individually

LABOR NEGOTIATIONS - Manager Otterman stated a committee was organized to discuss various issues, i.e. vacation schedule, sick leave, medicare tax, PERS, ICMA retirement, holidays, mileage reimbursement, standby pay, and a cost of living increase. There is a comparison of the different benefits presently in existence. The committee recommends that the benefits of the non-represented employees be equal to the benefits that the Keizer Police Association currently has. Manager Otterman referred the Council members to the report prepared by Judie Martin, Personnel Clerk.

Manager Otterman stated that the medicare costs that the employees are currently paying comes to an annual total of $1,485.00. If the city were to pick up the cost for those six employees, based upon this, it would be $1,485 total per year.

Mayor Orcutt requested clarification as to a government employee when the entity does not pay social security on the employee. Manager Otterman stated that employee would not be eligible for social security and their retirement would be from ICMA. He further stated that the water department and police departments were members of PERS, non sworn police employees are members of ICMA. Manager Otterman stated social security was not paid by either the City or the Employee. Councilor Koho requested clarification of exempt status from social security and the inability of the city employees to collect. Manager Otterman stated that the city has not been a member of social security. Mayor Orcutt stated he believed it to be voluntary. John Lien stated it was the decision of the city to opt out of the social security program because once you become a contributing member, you must remain one.

Councilor McGee asked Manager Otterman if the report was his recommendation. Manager Otterman stated no it was not. He further stated he hoped the council would recommend guidelines with which he could go back to the committee. Councilor McGee stated he was looking for a recommendation from the Manager. He requested that each item be priced out in order to evaluate the proposal and deal with stated that management was getting paid in their salary for extra time worked.

Councilor Koho moved that the Mayor appoint a compensation committee due to the complexity of the issue to work with the City Manager and bring recommendations back to the Council.

Councilor Van Meter seconded the Motion

The motion passed unanimously.

Councilor Hart stated caution should be had by the committee in bringing up certain perks when, in fact, there are some shortages in salaries. Manager Otterman stated the salary study report would be forthcoming.

CITY - MEMBERSHIP COURTHOUSE

Manager Otterman stated that should be part of the committee's discussion.

OTHER - BUSINESS

Mayor Orcutt stated that Manager Otterman requested inclusion in tomorrow night's meeting. It was the feeling of the City Manager that he would be better informed and better able to deal with the other employee.

Mayor Orcutt asked if any council member objected to the Manager attending the meeting. Councilor McGee stated he had no problem and feels strongly that the City Manager should attend. He did have a question of how much participation should be allowed and the Mayor should decide.

Councilor Miller stated he also agreed that Manager Otterman should attend, but, felt he should not get a copy of the report in advance. He further stated he could read a copy of the report during the meeting.

Councilor Newton and Councilor Koho expressed concern about why the City Manager could not have access to the report prior to the meeting. Councilor McGee stated that by not having access to the report, Manager Otterman could state he did not know what was in the report when asked.

Councilor Hart stated that since Manager

Mr. Lien said he didn't think the council has to do that in an open session. You can reach that conclusion in an executive session.

Councilor KOHO questioned if the council could vote in an executive session.

Mr. Lien stated that that is the general interpretation. What the statue states is that you can't take the final action in executive session.

A Councilor questioned what they do if they do not reach a consensus tomorrow night in executive session as to whether or not an allegation is proven misconduct. Would they have to vote on that?

Mr. Lien answered that they would have to vote. If a potential is there that there is no further action then that is a final action and that would probably require vote in the public session.

A Councilor expressed that if she was exonerated that should be done as soon as possible in the open meeting tomorrow night. If there is a list of misconduct that should be approved by the council.

Mayor Orcutt stated that if there are charges that are going to be levied after tomorrow, he did not think that giving a person less than 24 hours notice to come in and defend themselves is ample opportunity to do so.

Mayor Orcutt stated that they could decide in executive session tomorrow whether to levy charges or not. If there is a consensus that there is nothing to be done and everything is okay, then we can do that at another day.

Councilors discussed the next meeting and when it is to be. Many stated that they want to be a participant in this action.

A decision was made to schedule a council meeting for the library. Mr. Otterman suggested an advertisement for this meeting as executive session and open session, so that if the council does not finish the executive session Tuesday night, they may continue it to Wednesday at noon.

ADJOURNMENT Mayor Orcutt adjourned the meeting.

Respectfully submitted,

Haines

APPROVED:

MAYOR

F:\admin\ccmin.5-6

Otterman was going into the meeting with them that he should read the report and be aware of what the facts are when being asked a question. He further stated Manager Otterman would be better organized with a copy of the report.

Councilor McGee asked Manager Otterman if he would be sharing the report with Sue, the Chief, the Sergeant, or anyone else on the staff or John. Manager Otterman replied he would not. Councilor McGee stated he did not have a problem with receipt of the report.

Councilor Miller stated the report, if given to Manager Otterman, should not be left unattended at any time. Manager Otterman expressed he would keep the report confidential at all times.

Mayor Orcutt reminded the council they will be discussing the City Recorder and no other employees. If there is any disciplinary action to come out of the meeting, the City Recorder will have an opportunity to refute the charges in either open or executive meeting. John Lien stated that was correct.

John Lien stated it would be executive session only tomorrow night. He stated they would be discussing what the investigator had and any questions would be answered at that time.

Councilor McGee asked how a public meeting could be held tomorrow night. Manager Otterman stated that if you wanted to continue this meeting until tomorrow night that the meeting tonight should not be adjourned.

Councilor Kotte stated that if they assumed the worst and we recommend dismissal, we would be setting up a pre-dismissal hearing, where she has her fair hearing. She would be presented with a list of charges. She may come represented or whatever she can do to refute the charges that we've laid against her.

Mr. Lien answered that she is entitled to have a hearing and know what the allegations are and know what you are considering and than she is entitled to have that in an opened or closed session.

it as a whole package. Manager Otterman stated he wanted the council's initial feeling of equal benefits. He further stated he would provide item cost, as well as comparables.

Councilor Koho stated he also wanted the proposal priced out with comparisons. However, he further stated before alot of time and effort was spent, the council should decide if they want to consider equal benefits for all employees.

Councilor Van Meter appreciated Manager Otterman in coming to the council for a preliminary approval prior to investing a great deal of time. He also stated he felt the city should be in the direction of not having superior and sub-standard employees, at least monetarily. He further stated that when the items are priced out, the council should be informed as to where the money will come from.

Councilor Newton stated he did not feel new categories should be approved. He expressed concern about the vacation schedule which adds a new category for management employees which is greater than non-management employees. He stated that was not the direction he wished to go. He further stated some of the categories he had no problem with bringing those into conformance with the police. He stated administrative leave should be addressed as well.

Councilor McGee expressed concern about "cuff" time for administrative. He stated he did not think this was a common practice in the industry. Manager Otterman stated that most government entities at the management level do give administrative time off to compensate for the extra time.

Councilor Newton requested a complete list of fringe benefits so that when the council makes a determination, no item will be left out.

Councilor Hart stated he was interested in the comparison of management vs. non-management and the comparison in which they are paid. He stated he did not have a difficulty with those individuals getting additional hours or additional holidays because they will not get paid if they work overtime. Councilor McGee with the guidelines established in the program. The police department has expressed their concerns in a memo and the City Manager will be working with them. City Manager Otterman felt, since it is volunteer, the Council should approve a pool.

Discussion was had as to specific guidelines. Councilor Koho requested the amount of sick time an employee can accumulated. City Manager Otterman stated if not a member of the police association, 480 hours of sick leave can be accumulated. Councilor Koho asked if employees would be able to buy sick time from other employees. Manager Otterman stated the employee would make application to the committee to compensate them for the time off. Manager Otterman stated Marion County has a similar pool.

Councilor Miller stated that 50% of the employees that could be in it are in disagreement. Councilor Miller suggested that the matter should be continued to narrow the issues.

Councilor McGee stated he had asked the matter be taken off the consent calendar due to lack of agreement.

Councilor Newton made a motion to authorize the City Manager to advance sick leave for employees, if there were a good chance the employee would be returning to work.

~~The motion passed unanimously.~~

5-2 ~~[illegible]~~ McGEE + ORCUTT

OTHER - BUSINESS

Councilor Newton suggested the City Manager should consider what other cities are doing in responding to false alarms.

Councilor Koho suggested a letter of appreciation be sent to the Unocal station. Mr. Morgan stated the project was not complete and that a vision hazard had to be corrected. He further stated that the company was very cooperative.

Councilor Koho commented on the ugly triangle. He stated Manager Otterman and he had meet with the City of Salem and a plan was being developed. Donations may be necessary. It was stated that Salem would contribute to providing maintenance.

MINUTES

KEIZER CITY COUNCIL

Monday, May 20, 1991
Robert L. Simon Council Chambers
Keizer City Hall

CALL TO ORDER

Mayor Orcutt called the regular session to order at 7:30 p.m. Roll call was taken as follows:

Present
Andrew J. Orcutt, Mayor
Mike Hart, Councilor
Dennis Koho, Councilor
Jerry McGee, Councilor
All Miller, Councilor
Bob Newton, Councilor
Joe Van Meter, Councilor

Staff
Donald H. Otterman, City Manager
John Morgan, Community Development Director
Charles Stull, Police Chief
John Lein, City Attorney
Shannon Johnson, City Attorney
Roxie McGrath, Acting Recording Secretaroy

AWARD OF BID

Mr. Otterman explained that the City, through its Bond Council, received bids for the purchase of the refunding bonds for the 1980 Water Bond Issue at 4:00 p.m. He noted that the City is required to take action on the bids within four hours after their receipt. Mr. Otterman stated that four bids were submitted from United States (U.S.) National Bank of Oregon; Shearson Lehman Hutton; First Interstate Bank of Oregon; and Merrill Lynch Capitol Markets. The low bid was received from U.S. National Bank of Oregon.

Mark Hudspeth, the City's Financial Advisor, discussed the bids, noting that U.S. National Bank had the lowest interest rate, 5.87 percent. As a result of the lower interest rate there will be a 5.6 percent net savings over the next ten years for the City. The gross savings will be approximately $167,000 and the present value savings will be approximately $152,000. He recommends the Council accept U.S. National Bank's bid.

Upon questioning by Councilor Koho Mr. Hudspeth stated that he represents U.S. National Bank and explained that there was no impropriety in the Council accepting a bid from the same bank that acts as the City's financial advisor. Mr. Hudspeth noted that all the bidders submitted sealed bids to the Bond Council at 4:00 p.m. He explained that U.S. Bank is probably one of the largest underwriters of municipal bonds in Oregon and it is not uncommon for U.S. Bank to act as financial advisor as well as underwriter. Mr. Otterman pointed out that the two lowest bids were verified by a representative of the Bond Council. Additionally, an independent CPA will be employed to audit the transaction.

Mr. Otterman recommend that the Council amend their previous resolution by establishing the amount of bond issue at $2,835,000 rather than $2,840,000 as a result of the interest rate savings. He recommended a second resolution which would award the sale of the general obligation water bonds to the low bidder, U.S. National Bank.

Sergeant Bruce Jenness discussed the 1990 Keizer Police Department Reserve Unit Program. He noted that regular reserve meeting dates were established, meeting twice a month. The first meeting is a general information meeting, the second a special training meeting. In 1990, extra functions of the reserve units included participating in the Cub Scout Bike Rodeo, distributing Christmas food boxes for the Chamber of Commerce, and providing extra patrols for McNary High School during October. Additionally, Reserve Officer Gary Goggle participated in a first aid instructor course. Then, Officer Goggle trained the Police Department in first aid and CPR.

The reservist participated in the State Fair Crime Prevention Police Booth, an arson investigation, search warrant services, applicant testing for both reserves and regular duty officers, and special prisoner transportation. Training sessions included night stick, firearm, and mace training. Also, the reservists have been trained to enforce handicapped parking requirements.

The average time a reserve spent on duty was 300-400 hours. If the reservists had been paid for their volunteer time the cost would have been $34,000. However, the total paid time for all reservists was only $387.

In the future the reservists plan to complete a home security survey project, at first completing security surveys on burglary victims. If the program is successful, the reservists may complete security surveys upon requests by Keizer residents. Sergeant Jenness noted that the reserve unit is very motivated. Councilor Hart thanked the reserve unit for its hard work.

Councilor Koho expressed concern over only one female reservist in twelve positions. Chief Stull noted that one female reservist was hired as an active duty police officer in 1989.

DISCUSSION - BRIEFING ON MCNARY ACTIVITY CENTER PLAN

Jerry Watson, Chairman of the Planning Commission, was present to address the Council. Mr. Watson thanked staff and Councilor Hart for their contribution to the plan. He noted that his comments would be for information only, since the Commission did not take formal action on the draft at their last meeting due to lack of quorum. He noted that the policies in the draft have been individually approved by the Commission. Mr. Watson discussed the organization of the plan. The plan includes an identification of issues concerning the McNary Activity Center, a listing of options for dealing with the issues, an analysis of these options, and a final strategy for resolving them. It concludes with the most important component which is a list of 16 policies. He noted that when the Plan is approved it would be a stand-alone supplement to the Comprehensive Plan. Staff is reviewing the Comprehensive Plan and the McNary Activity Center Plan for consistency.

Mr. Watson explained that the major land use issue which has been discussed, but is not included in the draft, is the definition of a mixed use zone. His concern is how to encourage an effective use of mixed use zones. The Commission will be dealing with the issue of mixed use zones at their next meeting. The major issues concerning parks and recreation are dealing with the wetlands area which borders River Road and a possible promenade along Staats Lake. The major issue with circulation and access is the appropriate access to Staats Lake. The Commission envisions a complete loop around Staats Lake. The major environmental issue centers around the geese that inhabit Staats Lake. At this point in time the Commission has deferred developing the fiscal impact statement in the Plan. Mr. Watson discussed the Commission's 16 policy statements.

move in conjunction with the traffic they are adjacent to. Councilor Koho questioned if there was a violation of law if one lane was designated so that the opposing bicycle traffic had to be in the regular car lane. Mr. Morgan stated that there is no violation if the bicycle lane is clearly marked one way only. Councilor Van Meter noted that the Traffic Committee discussed the City financing one bicycle path and stated the Committee was concerned that the City might not be able to receive the matching state funds. Therefore, they recommend completing bicycle paths half way (which funds would be matched by the state). Then, next year, requesting additional matching funds to complete the other half of the bicycle paths. Councilor Koho did not agree with this position, however he understood it. Councilor Newton noted that there are more projects than funds available, therefore the priority is for the bicycle paths rather than other projects. Councilor McGee expressed concern that there needs to be bicycle paths on both sides of the road for safety purposes.

Mayor Orcutt requested the projected costs of maintenance on the sound wall. It was noted that there are no project maintenance costs at this point in time.

MOTION: Councilor Van Meter moved that the Council adopt the report of the Keizer Traffic Safety and Street Improvement Committee and that they approve the priorities as listed in the report of May 13, 1991, priorities #1 through #4. Councilor Newton seconded the motion.

The motion was put to a vote and carried, as follows:

AYES: Orcutt, McGee, Miller, Newton, Van Meter (5)
NAYS: Hart, Koho (2)

DISCUSSION - TEMPORARY BUSINESS ORDINANCE

The City Council, at its meeting of April 15, 1991, referred the proposed amendment of the Zoning Ordinance to the Planning Commission and Keizer Chamber of Commerce Governmental Affairs Committee for additional review. However, discussion of several specific issues led the Council to request additional input before moving on to the second reading and adoption. Mr. Morgan noted that due to lack of quorum for the Planning Commission on May 8th no action was taken by the Planning Commission on this subject. Additionally, the Governmental Affairs Committee discussed the issues and decided they needed time for more detailed study and consideration of alternatives. The Governmental Affairs Committee requested that there action be delayed on the temporary business ordinance until August.

Councilor Koho expressed concern that action needed to be taken on this item. He stated that the Council had extended the time frames far too long already. Councilor McGee believes that there has been no problems related to this ordinance since deliberations began on the issue. Mr. Morgan noted that problems in this area would occur during the late summer and early fall. Councilor Newton stated that he preferred more study, especially since the ordinance would allow for government interference in free enterprise.

Council Van Meter believes adequate time has been spent on this issue. He stated that over the two and a half years he has served on the Council the Chamber of Commerce has expressed a need for an ordinance to regulate some of the activities the City is loosely associated with, such as the Iris Festival. He is not opposed to an August continuance, but feels the Council needs to proceed with some resolution as soon as possible. Councilor Hart noted that there were no problems at Christmas or the Iris Festival, as far as he

Councilor Koho agreed and recognized that many of the goals were long-term in nature, such as urban renewal. Councilor Van Meter believed that staff was directed to develop the goals so the Council could help staff develop recommendations on staff priorities for the coming year. Mr. Morgan pointed out that the staff hours listed was the amount of time staff would devote to the projects, such as working with committees or answering questions.

Councilor McGee reiterated that the Council should be charged with developing its mission statement. Mayor Orcutt recommended that the Council review the document for two weeks. Mr. Otterman suggested that the Council review and decide on priority items which staff should complete first, then staff can project what they can accomplish after they accomplish the first set. Councilor Hart pointed out that goals would have to be review every year to see what the Council has accomplished.

Councilor Newton noted that the start date for the contractor to begin the master plans for the parks is listed as July 1, however he suggested that this project should be completed as soon as possible if there is sufficient funds. He suggested that volunteers could be utilized to develop the master plans, as well as accomplishing many of the goals strategies. Councilor Newton agreed with Councilor McGee that the mission statement was a Council matter.

The Council agreed to review the goal strategies at their next meeting.

DISCUSSION - REESTABLISHMENT OF CITIZENS ADVISORY COMMITTEE

Mr. Morgan explained that the City will be working to finalize and adopts its periodic review of the Comprehensive Plan this summer. Additionally, the Planning Commission will begin working on reviewing the zoning and subdivision ordinances, including the process components. The Council also has a goal for community involvement. The City recommends that the Council reform the Citizens Advisory Committee, direct staff to prepare the specific charges to the committee, and direct staff as to how, and to whom, it should solicit volunteers to serve on the Committee.

The Council discussed the appropriateness of their appointing the Committee or whether it was under the mayor's discretion. It was decided that the mayor could appoint the Committee.

Councilor Koho supported the reforming of the Committee, but recommended increasing its size to at least five members. Councilors Van Meter and McGee support the reforming of the Committee. Councilor Newton recommended at the most five members should be appointed, otherwise the bigger the committee the harder it is to find an appropriate meeting time.

Councilor McGee expressed concern that once a committee is formed it should not be allowed to disappear after a certain point in time, such as the Charter Committee.

The Council requested that the charge of the Committee should be discussed at the next Council meeting.

ORDINANCE - KEIZER COMP. PLAN AMENDMENT AND ZONE CHANGE 91-1

MOTION: Councilor Koho moved a bill for an ordinance in the matter of the application of John E. Baker and Baker Brothers Investments, applicants-owners, in which the City granted the zone change and comprehensive plan designation change requested in accordance with Keizer Hearings Officer decision dated April 26, 1991. Councilor Hart seconded the motion.

available to meet on May 21st. Additionally, he believed that the personnel policies in effect at this time allow for the employee to have legal representation.

The motion was put to a vote and carried, as follows:

AYES: Orcutt, Hart, Koho, Miller, Newton, Van Meter (6)
NAYS: McGee (1)

Councilor Hart questioned Mr. Mull concerning the repaving of the McNary-Manzanita area. Mr. Mull stated that the project is on standby until there is appropriate weather conditions.

Councilor Koho suggested that the Council meetings should begin a half hour earlier or provide an additional meeting per month, because there is not adequate time to discuss items at appropriate length. Mr. Otterman stated that the ordinance would need to be revised to reestablish a change in meeting time. Councilor Koho stated that he would discuss the issue with individual council members and he would bring up the issue at a later date.

Mr. Morgan discussed handouts concerning National Transportation Week from Partners for Smart Commuting.

WRITTEN COMMUNICATIONS

Mayor Orcutt distributed a letter he wrote to the Council members concerning possible violations of the City charter by council members. He noted that members of the Council must refrain from hearing or accepting grievances and complaints from city employees. Councilors should refer any employee to the city manager. If the complaint concerns the city manager, the employee should be referred to the city attorney, the mayor, or the city council as a whole, during public testimony during a public meeting. He noted that the divulging of privileged information is a serious breach of the ethics and the trust of the City Council, which should not and will not be condoned. Councilor Hart stated that he supported the Mayor's letter and suggested a team building session for the Council. Mayor Orcutt stated that the City may explore the possibility of a team building session.

AGENDA INPUT

Mr. Otterman indicated that the meeting on May 3rd would include a public hearing on the McNary Activity Center Plan and discussion of the Council's goal strategies.

EXECUTIVE SESSION

The Council met in Executive Session to discuss ORS 192.660 (1)(b), Disciplinary Action; ORS 192.660 (1)(f), Exempt Public Records; and ORS 192.660 (1)(h), Pending Litigation after the adjournment of the regularly scheduled Council meeting.

ADJOURNMENT

The meeting adjourned at 10:15 p.m.

Respectfully submitted,

Roxie McGrath

Roxie McGrath
Acting Recording Secretary

APPROVED:

The motion was put to a vote and carried unanimously, as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

RESOLUTION - LOCKHAVEN PHASE II CONTRACTS - PRELIMINARY ENGINEERING

The City of Keizer has contacted Marion County Public Works to complete the engineering on Lockhaven Drive Phase 2. Mr. Mull noted that the City's share for the project was incorrect in the contract, it should be 6.0 percent rather than 9.5 percent. He explained that the acceptable standard for engineering fees is approximately 10 percent of the estimated cost of construction.

MOTION: Councilor Van Meter moved the Resolution R-91, Local Advisory Agreement Federal Aid Urban project, preliminary engineering agreement for Lockhaven Drive, between Joan Drive North and Windsor Island Road. City share not to exceed 6 percent. Councilor Koho seconded the motion.

The motion was put to a vote and carried unanimously, as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

CONSENT CALENDAR

The Consent Calendar consisted of the May 6, 1991 Regular Session Minutes. The Council decided to review the minutes and fill in the name omissions. Councilor McGee noted that a motion was omitted under the Labor Negotiations section concerning moving the discussion of the compensation package for non-represented employees from the Executive Session to public session discussion. He would like the discussion included. Mayor Orcutt agreed.

Councilor Hart noted that on page 10, the words "The Motion died" should be replaced with "The Motion failed." He requested that on Page 15 the councilor's names should be included on the vote for the motion. Councilor Koho stated that he abstained from voting on the motion, and Councilor Miller noted that he cast the declining vote. Mr. Otterman stated that the minutes would be corrected and placed on the next meeting's agenda.

OTHER BUSINESS

MOTION: Councilor Koho moved that the Special and Executive Session scheduled for Tuesday, May 21, 1991 be reschedule for 7:00 p.m., Tuesday, May 28, 1991. Councilor Van Meter seconded the motion.

Mayor Orcutt noted that City Recorder Sue Darby requested the postponement. Councilor Miller stated that he understood the suspension with pay would be effective through May 28th, but recommended that if there were any additional requests for continuance after May 28th it would be without pay. John Lein, City Attorney, stated that suspending with pay requires no Council action. However, if the Council were to suspend an employee without pay there must be due process for the employee. Councilor Miller pointed out that the Council could state that no additional continuances would be granted. Mr. McGee noted that he was unaware the continuance would include pay. He emphasized that the Council was prepared to meet and make a decision, however the employee requested the continuance.

Mr. Van Meter pointed out that his motion was based on that fact that the employee's legal council had requested the extension because he was not was aware. He recommended waiting for a complete report. Mayor Orcutt recommended that more time should be allowed for review since the Chamber of Commerce requested the temporary ordinance and the Governmental Affairs Committee is a branch of the organization.

MOTION: Council Koho moved for passage of a bill for an ordinance amending Ordinance No. 87-078 to modify the types of permitted temporary uses. Section 21.03(a) be revised to read as follows:

21.0-3 PERMITTED TEMPORARY USES. The following temporary uses shall be permitted subject to the following limitations and requirements:

(a) Outdoor amusements: outdoor Christmas tree or fireworks sales from a temporary stand or structure: outdoor display and sale of flowers, seeds, bulbs, shrubs, bushes, trees, fresh or dried fruits, nuts, and/or vegetables from a vehicle or a temporary stand or structure are permitted as secondary uses in the CR zone only, provided each activity is located on the same lot for no more than 90 days in any calendar year, does not reduce required parking for primary uses on the same lot to less than required in Chapter 19, or create traffic congestion at driveway entrances or in parking aisles. These temporary uses are permitted only if the primary use conforms to the zoning ordinance and the primary use is an ongoing business and is not vacant.

The Motion died for lack of a second.

MOTION: Councilor Koho moved that the issue be tabled until the second meeting of the Council in August 1991. Councilor Newton seconded the motion.

The motion was put to a vote and carried unanimously, as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

DISCUSSION - DEPARTMENT HEAD CONTRACTS

The Department Head Contract agenda item was deleted from the agenda.

DISCUSSION - COUNCIL GOAL STRATEGIES

Mr. Morgan distributed the preliminary strategies and timeframes for implementing the Council's FY 91-92 goals, dated May 5, 1991. He questioned if the current staffing levels would be able to accomplish the goals as set forth in the document. He noted that in various parts of the plan consultants would be hired, but twenty-five percent of the present staff's (excluding Kevin Wickman) time would be required to accomplish these goals. He pointed out that many of the projects would be above and beyond the workload currently completed by the staff. Councilor McGee suggested that the goals would not only be completed by staff, rather many of these goals could be completed by non-staff individuals such as volunteers. He suggested that the visions statement development should be completed by various councilors and a subcommittee. He encouraged community involvement.

Mr. Watson recommended that the Council and the Commission hold a joint session to determine the role of the Commission in the future.

Councilor Hart noted that on Page six the words "Windsor Island" should be replaced by "Wheatland." The sentence should read "Land between Wheatland Road and River Road."

Mayor Orcutt and Councilor Van Meter expressed concern over a mixed use zone. Mayor Orcutt stated that he will be very interested in reviewing the Commission's definition of a mixed use zone. Mr. Watson suggested that a mixed use zone would be a comprehensive development for an area which would be know at the time a specific plan would be approved.

Mayor Orcutt expressed concern over the Plan recommending public access to Staats Lake (page 11, second paragraph), yet previously cautioning on the liability to the City. He believes there needs to be a clear recommendation. Councilor McGee stated that he interpreted that statement to mean the public would have visual access rather than public access. He encourage a joint session of the Commission and the Council. The Council discussed the fact that fiscal impact would concern mainly traffic impact. Mr. Watson again stated that he was representing himself, at this point in time, rather than the Commission.

Councilor Koho suggested that the draft should be amended to agree with the Comprehensive Plan, rather than visa versa. Mr. Morgan noted that in 1987 the Commission adopted specific requirements for Activity Center (AC) Zones. He explained that basic expectations should be defined in the AC zone rather than outlining specific requirements. Therefore, the Commission will be considering amending the Comprehensive Plan to conform to the present views.

Mr. Morgan noted that there is a public hearing scheduled for the Council's June 3rd meeting.

DISCUSSION - TRAFFIC SAFETY RECOMMENDATIONS

Public Works Director Wally Mull discussed the 1991 traffic safety and street improvement projects. He explained that the Traffic Safety & Street Improvement Committee was formed to recommend and prioritize traffic safety improvement projects in Keizer. Sixteen projects were initially listed. The Committees recommendation to the Council is to begin priority projects #1 and #2 immediately. Priority projects #1 include computerized crossing lights at Cummings and Whiteaker; crossing lights at Lockhaven - McClure at Keizer School; crossing lights at North River Road at Keizer Village Shopping Center; and sidewalks at Keizer Road at Kennedy School. Priority project #2 is resurfacing Lockhaven Drive (14th to Mcleod). Priority Projects #3 and #4 are addition of traffic signals at Mcleod and Lockhaven and North River Road and Sandy Drive. Additionally, the Committee recommends landscaping adjacent to the sound wall from River Road North to Windsor Island Road, as the funding is available.

Mr. Mull noted that the bus access at Whiteaker which several Council members were interested in was not included in the priorities, since the property had been purchased for subdivisions and the school did not have adequate funding to participate in development.

Councilor Koho questioned if the City was completely financing the bicycle path on Lockhaven, why there would need to be paths on both sides. Mr. Morgan stated that bicycle paths are "vehicle lanes", therefore they need to

MOTION: Councilor Koho moved for a resolution awarding the sale of $2,835,000 of general obligation water refunding bonds Series 1991 and approving the revisions to certain terms of the bonds. Councilor Hart seconded the motion.

The motion was put to a vote and carried unanimously, as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

MOTION: Councilor Koho moved for a resolution awarding the sale of $2,835,000 of general obligation water refunding bonds Series 1991. Included in the resolution is the award to United States National Bank of Oregon. Councilor Van Meter seconded the motion.

The motion was put to a vote and carried unanimously, as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

APPOINTMENT OF PRO-TEM CITY RECORDER

Mr. Otterman recommended that the Council appoint a pro-tem city recorder, since the bonds are required to have the signature of the city recorder. He noted that Howard Rankin, the City's Bond Council, recommended appointing a pro-tem city recorder to sign the bonds. The bonds needed to be signed on May 21st to provide for timely distribution. Mr. Otterman recommended that Pamela S. Haines be appointed pro-tem city recorder. Mr. Otterman pointed out that the pro-tem city recorder could also serve as a back-up when the city recorder is on vacation.

MOTION: Councilor Newton moved that the Council pass a resolution appointing pro-tem city recorder, Pamela S. Haines. Councilor Koho seconded the motion.

It was noted that appointing a pro-tem city recorder does not conflict with the City's charter.

The motion was put to a vote and carried unanimously, as follows:

AYES: Orcutt, Hart, Koho, McGee, Miller, Newton, Van Meter (7)
NAYS: None (0)

PUBLIC TESTIMONY

There was no public testimony to come before the City Council.

COMMITTEE REPORTS

John Lein, City Attorney, conducted the swearing in ceremony of new reserve officer Jeffrey Wayne Johnson.

Chief Stull reported that the Police Department has applied for two grants under the Oregon Traffic Safety Program. One grant application submittal was to request funding for the third year of the Selective Enforcement Grant, which is included in the 1991-92 City budget. Additionally, a new grant application was submitted for a three year DUII Enforcement Program. Chief Stull will report at a later date on the progress of the grant applications. He noted that only one grant could be accepted.

MINUTES

KEIZER CITY COUNCIL

Tuesday, May 28, 1991
11:30 p.m.
Robert L. Simon Council Chambers
Keizer City Hall

CALL TO ORDER

Mayor Orcutt called the regular session to order. Roll call was taken as follows:

Present

Andrew J. Orcutt, Mayor
Mike Hart, Councilor
Dennis Koho, Councilor
Jerry McGee, Councilor
Al Miller, Councilor
Bob Newton, Councilor
Joe Van Meter, Councilor

Staff

Donald H. Otterman, City Manager
John Lien, City Attorney
Mark Loomis, City Attorney

DISCIPLINARY ACTION

Councilor Bob Newton made the following Motion:

"In the matter of potential disciplinary action for the City Recorder, Sue Darby, and based upon the findings and deliberations of the Council, I move to issue a written reprimand to the City Recorder for her actions regarding specifications (2) and (4); to admonish her to be more sensitive to the public perception, more deliberately deal with personnel matters; and, to clearly and concisely apply advice and counsel of the City Manager and the City Attorney. A work plan will be developed by the City Manager to measure her progress to be reviewed at the end of 90 days, again at six months, and a second six months resulting in the adoption of a revised expected performance standard, and then annually thereafter. The Council will take appropriate action to delegate the City Recorder to the immediate day to day supervision of the City Manager.

The Motion was seconded by Councilor VAN METER.

Councilor Al Miller requested the following statement be duly noted on the record:

"I disagree with the written reprimand and, therefore, will vote against it. I further believe the evidence supports the finding that the five allegations as specified in the Mayor's letter dated May 10, 1991 are true. Of particular concern to me was the removal of particular records from a personnel file after Sue Darby, the City Recorder, was served with a subpoena. Sue Darby disobeyed a directive from the City Manager, Don Otterman, when he told her to check with the City Attorney before having the file purged. She disobeyed instructions from the City Attorney, John Lien, to let him know when she got the subpoena. She went ahead and had the files purged anyway and then informed him, after the fact, that it was done. The other City Attorney, Akin Blitz, explained to her before the file was purged, that her role was to appear at the appointed time and place as designated in the subpoena and to appear with the entire record. He also has indicated that at the end of their discussion, that she clearly understood that attorneys who subpoena a file are entitled to expect that the entire file will be produced and that there were significant legal considerations which should prevent her from purging the file even in accordance with City Policy once she received notice that the file was under subpoena. He further informed her that she would subject herself to substantial criticism if she proceeded with purging of the file. The fact is, that after receiving all of these directives and legal advice, she ordered that the materials be removed from the personnel file of a City employee, with whom she was romantically involved,

5

having never disclosed her involvement with that employee, and, thereby, disobeying explicit instructions from the City Manager and two City Attorneys. Her actions constitute a gross violation of the public trust and have brought great discredit and embarrassment to the City of Keizer. I believe her conduct warrants immediate dismissal. It is the right thing to do and I believe a majority of the people in Keizer would support such an action."

Councilor Koho stated that he respected Councilor Miller's perceptions but commented that other people listening to the same evidence may come to different conclusions.

Councilor Van Meter made the following statement:

"I found this process to be destructive to the City Council, the City Staff, and, most importantly, to the Citizen's trust in its government. Those responsible have lost credibility. I wish I could see the world black or white, guilty or not guilty, but have found all of life's experiences to be shades of gray. Perceptions of the same situation are different as we have seen, and as we will see on this Council. I found the rebuttal to the letter by Sue Darby to be conducive with the way she presented herself to me in the past. This is an eight year employee with positive work evaluations. I can only support the motion before the Council and do not believe, after reviewing the same information as has Councilor Miller, that there are grounds for dismissal."

Councilor McGee made the following statement:

"I believe there is grounds for dismissal. I believe in point (1) that she was neglectful of her duty. I believe in point (2) that there is no question that she misused City property on just not one occasion, but on several occasions. On point (3), I believe that

ADJOURNMENT The City Council meeting adjourned.

Respectfully submitted,

APPROVED:

MAYOR

f:public\temp\ccmin-528

City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER

DATE: MAY 31, 1991

SUBJECT: CITY MANAGER'S AUTHORITY TO SUPERVISE CITY RECORDER

Attached please find a Resolution, prepared by the City Attorney, at the request of Councilor Dennis Koho. It is requested the City Council review the attached Resolution and be ready to discuss its contents at the Monday night City Council meeting.

DHO:clm
Memorandum contents approved by City Attorney Lien

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91-_____

DELEGATING AUTHORITY TO THE CITY MANAGER FOR THE SUPERVISION OF THE CITY RECORDER

WHEREAS the position of the City Recorder is no longer the only administrative position employed by the City of Keizer; and

WHEREAS the position of City Recorder cannot be adequately supervised in its day-to-day functions by the City Council; and

WHEREAS the City Recorder must necessarily be subordinate to and report to the City Manager; now, therefore

BE IT RESOLVED by the City Council of the City of Keizer that notwithstanding Chapter III, Section 10 and Chapter V, Section 23, of the City Charter; the City Council delegates to the City Manager the following responsibility regarding the City Recorder:

1) The City Manager may assign and reassign duties to the City Recorder in addition to those duties assigned to the City Recorder by City Charter;

2) The City Manager shall be responsible for the day-to-day supervision and direction of the City Recorder in the performance of her duties;

3) The City Manager shall be responsible for disciplining the City Recorder except that the City Manager may only recommend termination or removal from office to the City Council which shall decide upon termination or removal in accordance with the City Charter; and

///

4) In the event of a vacancy in the office of City Recorder, the City Manager shall be responsible for conducting the hiring process for filling that vacancy and shall recommend the candidate(s) for appointment as City Recorder to the City Council which shall appoint the City Recorder in accordance with the City Charter.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the position of City Recorder shall be deemed a department head and subject to the applicable sections of the City of Keizer's personnel policies.

PASSED this ________ day of ____________________________, 1991.

SIGNED this ________ day of ____________________________, 1991.

____
Mayor

____
City Recorder

824.92

15

COUNCIL MEETING: JUNE 3, 1991
AGENDA ITEM NO.: 15

EXECUTIVE SESSION

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700
1982

MEMORANDUM

DATE: May 17, 1991

TO: Mayor and City Council
City of Keizer

FROM: John N. Morgan, AICP
Community Development Director

SUBJECT: Discussion of Fernwood Park

Staff would like to discuss with you, at the completion of the May 20, 1991 Council meeting, a situation concerning Fernwood Park. This park is the site of the old Keizer School northwest of Schoolhouse Square. A confidential memorandum from Shannon Johnson, City Attorney, is attached that details this issue.

For several weeks, Staff has been involved in a dialogue with the operators of the proposed Learning Tree Day Care Center in Schoolhouse Square. Apparently, at the time Schoolhouse Square was being planned an unwritten agreement was reached between the City and Springer Development Corporation whereby a portion of Fernwood Park could be used for the required outdoor play area for the day care center. This is an area that must be fenced, locked and available exclusively to the children using the center.

The day care company is now ready to finish construction of their center and approached the City to finalize arrangements for the outdoor space. The current staff and legal council are of an opinion, however, that the arrangement for private use of public park land is not legally acceptable. Staff has worked with the operator to try to find a legal and workable solution to this situation.

There are three options that are readily apparent:

1. Deny the request to use the park. This will either force the day care operator to leave this site or to try to reach other arrangements with Springer Development Corporation.

CONFIDENTIAL MEMORANDUM - LAWYER/CLIENT PRIVILEGE

TO: Donald H. Otterman, City Manager
John Morgan, Community Development Director

FROM: E. Shannon Johnson, City Attorney

RE: Fernwood Park/Learning Tree Daycare Center Issue

DATE: May 15, 1991

This memorandum addresses the issue regarding allowing a dedicated public park to be used in an exclusive or semi-exclusive manner by a private party.

By way of background, some time ago one or more City employees allegedly promised that Springer Development Company would be allowed exclusive use of a portion of Fernwood Park that abuts the west side of Schoolhouse Square. The idea was to allow the proposed tenant, Learning Tree Daycare Center, to use an area of the park for a children's playground. The facts and circumstances surrounding this alleged promise are not discussed in this memorandum, but it has been ascertained that some type of commitment, however informal, was made on behalf of the City in this regard.

The question regarding the use of a dedicated public park is a difficult one. Our research does not turn up much authority to indicate that the City has a right to allow exclusive use of the park, particularly when the park is a dedicated public park. The City of Keizer does not actually own Fernwood Park. The City merely has jurisdiction over the park. This should be contrasted with, for example, Northridge Park. The City apparently owns Northridge Park because it was deeded to the City by Larry Epping. Therefore, we can declare it surplus property and do what we will with it, within certain statutory constraints.

There has been some discussion that the Keizer Little League fields are an example as to how the City may allow exclusive use of a park. However, this is not an appropriate analogy for two reasons:

1. Keizer Little League is a nonprofit, civic organization. Learning Tree Daycare Center is a for-profit, private corporation.

2. According to my information, the City of Keizer <u>purchased</u> the Keizer Little League property from the State of Oregon. Therefore, the City has much more latitude in what it does with such property. Fernwood Park, as stated above, is dedicated to the public.

not really analogous to our situation. (By the way, in that New York case, the court decided by a slim majority that the document purporting to be a "license" was actually a lease, and was therefore not valid.)

The attachment of the draft Revocable Permit does not equate to a recommendation for its use in this matter. However, if the City determines that a grant of some type of use is appropriate because of the circumstances, then this document is perhaps more appropriate than a lease or easement. The draft permit does not create an estate or interest in the land. It is roughly patterned after the State of Oregon's right-of-way permits, whereby the State allows unused right-of-way to be used by adjoining property owners on a revocable basis.

If the City is challenged, it can be said that:

1. This is only a small portion of the park (but it is a small park to begin with).

2. The park is undeveloped and could not be used as a park anyway. (There is an older out-of-state case which seems to support this theory.)

3. The permittee is landscaping and developing an area which the public can then use part of the time and such developed playground area will remain for public use when the daycare center is gone.

Should someone bring suit to enjoin the use of the playground by the daycare center, it is my opinion that such suit would be successful. I express no opinion regarding any possible damages or attorney fees, etc., that the City may be responsible for. The cases I have reviewed so far do not discuss this issue, concentrating only on whether the use is one that should or should not be enjoined. Please indicate if you wish me to do further research on this issue.

I spoke with Betty Swinkels of Children's Service Division (CSD) on May 15, 1991. She is familiar with this site and the application, though she said that formal application has not yet been made. A fence in this type of situation is required by CSD. It can be as low as three feet, but with it being adjacent to a public area such as it is, they cannot allow it to be unfenced. She also indicated that the required minimum area for the outdoor playground needs to be the equivalent of 25 square feet per child. She felt that the initial discussion indicated there would be 104 children, but could not confirm this. If this is true, the outdoor play area would be 2,600 square feet at a minimum. (I would advise that the daycare center be allowed to use only the minimum amount of park land necessary to solve this problem, and further that their hours of use be the minimum necessary also.)

DRAFT

REVOCABLE PERMIT

DATE: ______________________________

PARTIES: The City of Keizer, an Oregon municipal corporation (hereinafter "City"); and Learning Tree Daycare Center, Inc. (hereinafter "Permittee").

RECITALS:

A. Permittee operates or will operate a daycare facility in a retail shopping center known as Schoolhouse Square located in the City of Keizer. The west side of the structure housing the daycare center abuts Fernwood Park.

B. Fernwood Park is a dedicated public park over which the City has jurisdiction.

C. Permittee desires to use a portion of park property abutting the daycare center structure for use by children as an outdoor play area.

D. City desires to allow Permittee to use such portion of park property under certain terms and conditions contained herein.

NOW, THEREFORE, based upon the consideration and mutual promises contained herein, the parties agree as follows.

AGREEMENT:

1. Permittee is hereby granted permission to use the property described in Exhibit "A" attached (hereinafter "the property") for the purposes and in the manner set forth herein.

2. This permit is valid from ______________________________ to ______________________________ and, unless revoked as provided for herein, on a year-to-year basis thereafter.

3. Permittee shall have exclusive use of the property from __________ to __________ p.m. Monday through Friday only. At all other times, the public shall have access to the property, as set forth herein.

because of, any damage to property or injury or death of any person arising out of the occupancy and use of the property by Permittee, including, but not limited to, the use by the public of the property and playground equipment located thereupon. In addition, Permittee shall procure general liability insurance naming City as insured in amounts not less than $________ per person and $________ per occurence.

9. The permit fee shall be $________ per year, payable in advance. No portion of the permit fee shall be refunded if this permit is terminated or revoked by either City or Permittee.

10. This permit is personal to Permittee only, and no rights herein may be transferred, contracted, or conveyed or assigned in any manner to another party, either voluntarily or involuntarily. Permittee agrees that it does not and shall not claim at any time any interest or estate of any kind or extent whatsoever in the property, by virtue of this permit or Permittee's occupancy or use hereunder. This permit shall not be recorded.

11. In any suit or action to enforce or interpret the provisions of this permit, the losing party shall pay the prevailing party reasonable attorney fees and costs as determined by the trial court, or if appealed, as determined by the appellate court.

CITY OF KEIZER, an Oregon
Municipal Corporation

By: ______________________________ Dated: ________________________

LEARNING TREE DAYCARE CENTER, INC.

By: ______________________________ Dated: ________________________

2456COK.010

4. Permittee shall use the property only for the purposes of an outdoor play area for children up to the age of ______. No other use shall be made of the premises.

5. Permittee shall have sole responsibility for maintenance and upkeep of the property. Permittee agrees to keep the property in an attractive condition, free from debris at all times. Permittee shall not store any materials of any type on the property.

6. Permittee may install playground equipment on the property appropriate for the use of their client children. Permittee shall keep all equipment in good repair at all times. Upon expiration or termination of this permit, all playground equipment shall become the sole property of the City of Keizer. Permittee may also erect fences around the property, not unsightly in nature, provided that Permittee shall install at least one (1) gate which shall open to the remainder of the park property. Such gate or gates shall be unlocked during the times the public has access to the property pursuant to this permit. Permittee shall allow the public the use of the playground equipment and any real property of Permittee within the fenced area.

7. City shall have the right to retake possession of the property and revoke this license upon ten (10) days written notice to Permittee at any time such action may appear to the City, in the City's sole discretion, to be in the public interest. Such revocation and repossession shall be without any liability whatsoever to the City for any loss, injury, or damage of any nature to Permittee's business, property or improvements. Permittee may also terminate this agreement upon ten (10) days notice to City without liability after the termination date. Excepting for inclement weather, Permittee's failure to use the property for thirty (30) days shall be conclusively deemed a termination of this permit. Upon termination of this permit, Permittee shall clean up the property, removing any materials, other than installed playground equipment, and shall leave the property in a clean and sightly condition. If Permittee does not comply with these provisions, City shall restore the premises as set forth herein and Permittee agrees to pay City the reasonable costs of such restoration.

8. Permittee hereby agrees to indemnify and hold harmless City, its officers, employees and agents, from and against all damages, claims, demands, suits, actions or other expenses of any kind, resulting from, or

The City Council should authorize the signing of the permit, unless there is authority to the contrary by way of some ordinance. The park permit ordinance is not intended for this situation.

An option regarding deeding the property to the Keizer Heritage Foundation will be discussed in a later memorandum. If this appears to be legally and politically possible, we may be able to be creative with regard to this playground area, and at the same time provide the daycare center or Springer with more permanent use of the property. However, the City would have to go through a vacation hearing process to acquire title to the property.

Should you have further questions in this regard, please contact me. Thank you.

ESJ:clt

Fernwood Park was dedicated in two sections coinciding with the two subdivision plats, Fernwood Park and Fernwood Park No. 2. The total area of the two park sections equals only 0.921 acres. There is no separate deed or dedicating instrument other than the two plats, which contain the words: "We hereby dedicate to the public use forever the streets and park area laid out through and upon said land as shown on the within plat."

The general rule in a dedication is that the public (not the City) is given the use of the property for a specific purpose. The City is merely the trustee for the public, and within certain constraints of the dedication, may regulate its use. However, neither the City nor the public "owns" the property, such as the City owns City Hall or Northridge Park. The "underlying fee" is held by the dedicator and/or owners of the lots in the subdivision. (I should be receiving a title report soon to delineate the actual ownership of the park. However, it is clear at this time that the City does not own the property.)

In any event, when property is dedicated as a park, a municipality is limited as to what uses it allows in the park. This is especially true when the contemplated use is an exclusive one. The leading Oregon case is Hyland v. City of Eugene, 179 Or 567 (1946). In this case, the City of Eugene, with consultation with the federal government, provided for temporary placement of trailer homes on a public park. Such park had never been developed for use as a recreational park. The temporary housing was for returning World War II veterans and the entire country, including the City of Eugene, was facing a very serious housing shortage. Abutting property owners sued to enjoin this use. The court found that the proposed use was appropriate only because of the emergency. However, the court indicated in no uncertain terms that when the word "park" is on a plat of land dedicated to the public, that this "signifies a place open to everyone, and it carries no idea of restriction to any part of the public."

The court also noted that the law is more strict in determining that there has been a misuse or diversion of the property when it is dedicated property, rather than purchased or condemned by the City. However, the court went on to say that, "To constitute a misuse or diversion, there must be a substantial interference with the use of the land for park purposes." (It could be argued that this proposed use is not substantial and is consistent with typical park uses.)

It is clear that the City cannot sell or even lease the dedicated land. However, it is not clear whether or not a revocable permit is allowed (see attached draft). There is some language to suggest that the City can grant a revocable permit or license, but the original case which supported such language dealt with a golf course which was open to the public. This is

2. Grant the operator a "revocable permit." This will grant the operator the capability to use the site, but can be revoked at any time by the Council.

3. Convey the entire park property to Keizer Heritage Foundation and let the Foundation make its own arrangements with the day care center. This would involve vacating the park which could be a difficult legal process as the park was originally dedicated to the "public" as opposed to being dedicated to the city.

Staff will discuss each of these options Monday evening. Direction is needed from the Council on how to proceed with resolving this issue. Please call me if you have any questions.

attachment

cc: Don Otterman, City Manger
Shannon Johnson, City Attorney
Kevin Wickmann, Parks Superintendent

she was not attending to her job, but I don't see that as a dismissable issue. On point (4), she went way beyond exercising poor judgement, she went against direct orders, both by her immediate supervisor and by legal counsel. On point (5), she was in deed, evasive, having personally seen the tapes of her actions in a court of law, she was evasive under oath. I believe her performance reflects great discredit upon the City and that she has clearly sacrificed her right for continued employment in this agency. To continue her employment sends a strange message to all the other employees that have remained loyal and faithful for eight years and as long as Sue Darby has. The message to them is very complicated now. I believe Sue Darby should be dismissed and I will vote against the motion."

The motion passed by the following vote:

AYES: Orcutt, Koho, Newton,
Van Meter, Hart

NAYS: Miller, McGee

OTHER BUSINESS

Councilor Koho presented a handout to the council members setting forth three issues: (1) Delegation of the day to day supervision of the City Recorder; (2) Amendment to the personnel policies regarding use of equipment; (3) Amending personnel policies regarding City/Public relations and department employees.

The issues were to be discussed at the next regular council meeting.

Don

CITY OF KEIZER MISSION STATEMENT

KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING BASIC CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION.

AGENDA

KEIZER CITY COUNCIL
Special Meeting
Friday, June 28, 1991
7:30 a.m.
Robert L. Simon Council Chambers

1. CALL TO ORDER
2. ROLL CALL
3. PUBLIC TESTIMONY - This time is provided for citizens to address the Council on matters not on the agenda.
4. DELIBERATION - 1991-92 City Budget
   - a. Resolution - Adopting the Budget
   - b. Resolution - Making Appropriations
   - c. Resolution - Levying Ad Valorem Taxes
5. ORDINANCE - Declaring the City's Election to Receive State Revenues.
6. RESOLUTION - Certifying that the City Provides Four or More Services
7. DELIBERATION - 1991-92 Liability Insurance
8. DELIBERATION - 1991-92 Workers Compensation Insurance
9. DISCUSSION - Compensation Committee Report
10. RESOLUTION - 1990-91 Transferring Appropriations
11. OTHER BUSINESS - This time is provided to allow Council members the opportunity to bring matters before the Council which are not on tonight's agenda.
12. AGENDA INPUT - July 1, 1991
    - * Public Hearing (Continued) - McNary Activity Center

5

1982

City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: June 28, 1991

AGENDA ITEM NO.: 5

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN, M.S.PA, CITY MANAGER DHO

SUBJECT: ORDINANCE - Declaring the City's Election to Receive State Revenues

State Revenue Sharing Law, ORS 221.770, requires cities to pass an ordinance each year stating that they want to receive State revenue sharing money. The law also requires that cities certify that two required public hearings were held.

Attached is the form of ordinance that has been adopted each year by the City Council declaring the City's election to receive State revenues and providing the required certification.

BILL NO. ________ | A BILL FOR | ORDINANCE NO. ________

AN ORDINANCE

DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

The City Council of the City of Keizer ordains as follows:

Section 1. Pursuant to ORS 221.770, the City hereby elects to receive State revenues for fiscal year 1991-92.

PASSED this _____ day of _______________, 1991.

SIGNED this _____ day of _______________, 1991.

____
Mayor

____
City Recorder

I certify that a public hearing before the Budget Committee was held ____________________, 1991, and a public hearing before the City Council was held on ______________________, 1991, giving citizens opportunity comment on use of State Revenue Sharing.

____
City Recorder

Sue

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: June 28, 1991

AGENDA ITEM NO.: 6

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN, M.S.PA, CITY MANAGER DHO

SUBJECT: RESOLUTION - Certifying that the City provides four or more services

State law provides that cities located within a county having more than 100,000 inhabitants, according to the most recent decennial census, must provide four or more municipal services to be eligible to receive State Shared Revenue.

The attached resolution will serve the purpose required under State law.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91- ____

CERTIFYING THAT THE CITY PROVIDES FOUR OR MORE SERVICES

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

(1) Police protection
(2) Fire protection
(3) Street construction, maintenance and lighting
(4) Sanitary sewer
(5) Storm sewers
(6) Planning, zoning and subdivision control
(7) One or more utility services

and

WHEREAS, city officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760; NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the City of Keizer hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

1982

City of Keizer
Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 28, 1991

AGENDA ITEM NO.: 7

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: APPROVAL OF PROPOSAL FOR LIABILITY INSURANCE

DISCUSSION

Attached is a copy of the insurance proposal for liability insurance, submitted through our Insurance Agent of Record, Joe Phillippay, from Northland Insurance Company. The coverage proposed by Northland Insurance Company is identical to the coverage that we currently have as far as limits of coverage and the proposal has been expanded to include the additional equipment that the city has purchased over the last year.

The city has budgeted, in its 1991-92 budget, a total of $54,140 for insurance coverage. This is total insurance coverage for all funds. The proposal from Northland Insurance is well within the budget for insurance coverage and it is recommended that the City Council approve the proposal from Northland Insurance Company.

RECOMMENDATION

It is recommended that the City Council APPROVE the proposal as submitted by Sedgwick James Company, on behalf of Northland Insurance, to provide liability insurance for the City of Keizer for fiscal year 1991-92.

DHO:clm

f:\admin\liability.adg

Attachments:
Proposal from Sedgwick James Company

Sedgwick James

PROPERTY

Location: See Statement of Values

Amount of Insurance: $ 1,980,000 Blanket buildings and/or personal property.

Perils Covered:
- *Fire, Lightning and Extended Coverage
- *Vandalism
- *Special Form
  All perils subject to conditions and exclusions listed in policy.

Deductible: $1,000

Policy Terms: In addition to the terms and conditions the following provisions apply:
- *Replacement Cost
- *Agreed Amount
- *60 Day notice of cancellation other than for non-payment of premium.

Supplementary Coverages:

$10,000	Property off Premises
$ 5,000	Valuable Papers
$15,000	Extra Expense
$ 5,000	Money & Securities
	Power Failure Endorsement
	Building Ordinance Coverage

TO BE COMPLETED BY COMPANY, AGENT OR BROKER

1991/92

Item No.	Description, Location and Occupancy of Property Covered	Coverage *	Values	Rate Pub. No.	Rate
12:1	6200 Block of 13th Ave. NE	B	3,800		
	Pump Station	PPI	2,400		
13:1	17th Ave. & Manzanita	B	7,600		
	Pump Station	PPI	2,400		
14:1	6200 Lauderback Dr.	B	11,200		
	Pump Station	PPI	4,500		
15:1	266A Otterway	B	1,600		
	Pump Station	PPI	2,400		
		TOTALS	$1,980,000		

AVERAGE RATES EFFECTIVE

* B=Building S=Stock PPI=Personal Property of the Insured PPO=Personal Property of Others Other — Specify Above

CF 16 15 (Ed. 01 83)

CLAIMS HISTORY

[illegible]RED: City of Keizer

[illegible]ENT DATE	CLAIM NO.	TYPE	DRIVER'S NAME AND/OR CLAIM DESCRIPTION	AGE	RESERVE	PAID	EXPENSE
12-16-90	PE1058 KEZ-061 1 Training-2	OPD	Clmt. Mona J. Mohns alleges damage to vehicle from chuckhole East Side of Trail Ave. @ McNary Estates intersection.		~~$312.~~	CWP 01-23-91	
9-14-90	PE1058 KEZ-062 2 Gretchen Willard	Per. Inj.	Clmt. Kyle Wildgang alleges improper arrest.		$5,460.		
07-29-90	PE1058 KEZ-063 3 Gretchen Willard	Per. Inj.	Clmt. Christopher J. Woolley alleges he was deprived of his rights by police.		$5,460.		
0[illegible]-91	PE1058 KEZ-064 4 Mindy Elkington	OBI	Clmt. Brian G. Richards, off duty reserve officer bitten byCody, K-9		~~$3,120.~~	$32.	
10-18-90 ~~11-28-90~~	PE1058 KEZ-065 5 Elaine Krob	OPD	Clmt. Keizer Texaco alleges City tortiously interfered with their business.		$5,460.		

CLAIMS HISTORY

INSURED: City of Keizer

[illegible]ENT [illegible]TE	CLAIM NO.	TYPE	DRIVER'S NAME AND/OR CLAIM DESCRIPTION	AGE	RESERVE	PAID	EXPENSE
09-25-89	PE01630 KEZ-046 000001 VC	OPD	Clmt. US West Comm. alleges damaged underground cable at 1460 Shady Ln NE		~~$780~~	-250. 416.	
11-15-89	PE01630 KEZ-047 000002 GW	Per. Inj.	Clmt. Tommy Coons ran from Police Officer, Officer shot him in both legs. ~~Re-opened 11-2-90~~		~~$11700.~~ ~~4200~~	~~CWP~~ ~~1/31/96~~ CWP 09-10-90	$590.E $414.E
06-15-89	PE01465 KEZ-048 000007 G. Willard	OBI	Sherry Robinson DBA: Disney Day Care, protecting her rights regarding the death of baby Rebecca Lemmer (SIDS)		~~$5,000.~~	CWP 04-12-90	
0[illegible]-12-89	PE01630 KEZ-049 000004 GW	Per. Inj.	Clmt. Danny J. Pastorino alleges injuries as a result of negligent and intentional acts on the part of Officers Miranda and Barket, Sgt. Jenness and K-9 Cody.		~~$5,000.~~	CWP 04-12-90	
01-25-90	PE01630 KEZ050 000005 GW	Disc ~~OBI~~	Clmt. Neil V. Carroll against the Mayor for descrimination in housing, wanted to set up a group home for the mentally disabled.		~~$3,320.~~ $2,000.		$3,335.
04-05-90	PE01630 KEZ-051 000006 ME	OPD	Clmt. P.G.E. Insured working with equipment at 7471 2nd Ave. N.E. damaged underground power line.		~~$780.~~	-190. $190.	
07-04-89	PE01630 KEZ-052 7 G. Willard	Per. Inj.	Clmt. ? Michael David Benson, prisoner, injured during arrest.			CWP 7-28-90	

CLAIMS HISTORY

INSURED: City of Keizer

ENT DATE	CLAIM NO.	TYPE	DRIVER'S NAME AND/OR CLAIM DESCRIPTION	AGE	RESERVE	PAID	EXPENSE
10-20-87	PE 01349 KEZ-030 000005	OPD	Clmt. PMC Forest Green Ltd. alleges loss due to shutting off of water to apartments		~~$780~~	CWP 8·31·88	
03-16-88	PE01349 KEZ-031 000006	Per. Inj.	Clmt. Thomas Randall Cole False arrest.		~~$5460.~~	CWP 6·29·88	
5-31-88	PE 01349 KEZ-032 000007	Per. Inj.	Clmt. Randall B. Woodfield Clmt. gave notice of intent to sue for violation of his privacy rights.		~~$3120.~~ ~~$3120~~.	~~CWP~~ ~~5-18-89~~	
04-01-88	PE 01349 KEZ-033 000008	OBI	Clmt. Robert E. Hartless bitten by K-9 dog.		~~$3120.~~	$ 46.00	
01-28-88	PE 01349 KEZ-034 000009	Pers. Inj.	Clmt. Lorna Kariker Clmt. was charged with failure to perform the duties of a driver, then charges were dismissed for insufficient evidence. Clmt. is seeking payment of attorney fees.		~~$3120.~~	CWP 7-31.88	
07-24-88	PE 01465 KEZ-035 000001	OBI	Clmt. Violetta Osborne was knocked down by police officer chasing a suspect in Safeway store.		~~$3120.~~	CWP 6·28-89	
07-21-88	PE01465 KEZ-036 000002	E&O	Clmt. Loren's Sanitation Service, Inc. allege insufficient # of registered voters for petition accepted by City.			CWP 9-30·88	
08-04-88	BA00427 KEZ-037 000001	APD	Police officer · bumped clmt veh. Unknown, appears on computer run		~~$7,815.~~	CWP 10-31·88	

MISC. EQUIPMENT FLOATER, CONT.

16. 1 Base Station	$ 4,000
17. 1 Control Unit	$ 2,000
18. 8 Tandy 1100 FD Laptop Computers @ $650 Each	$ 5,200
19. Panasonic Camcorder #PV610	$ 950
20. Tandy Laptop Computer 1100-FD, Mdl#253530, S#0C39377	$ 590
21. Tandy Laptop Computer 1100-FD, Mdl#253530, S#0A39375	$ 590
22. Tandy Laptop Computer 1100-FD, Mdl#253530, S#0A35013	$ 590
23. Tandy Laptop Computer 1100-FD, Mdl#253530, S#0C39384	$ 590
24. Tandy Laptop Computer 1100-FD, Mdl#253530, S#0C39391	$ 590
25. Randy Laptop Computer 1100-FD, Mdl#253530. S#0C41568	$ 590
26. Radar Rdout Asmbly & Speed Controller #17865,#11201	$ 2,050
27. Midaland Radio Two-way S#013294, Model 70-1440B	$ 699
28. Moving Radar Model 580K S#37010	$ 1,100
29. Moving Radar Model 580K S#37023	$ 1,100
30. Moving Radar Model 580K S#47243	$ 1,100
31. Moving Radar Model 580K S#47246	$ 1,100
32. Moving Radar Model#61210	$ 1,700
33. Sanyo Transcribing and Dictation Equipment	$ 1,000

TOTAL MISC. EQUIPMENT:	$146,089

Sedgwick James

ELECTRONIC DATA PROCESSING EQUIPMENT SCHEDULE

1.	IBM PS/2 Model 80; 2 MB RAM; 20 MH% 80386 Processor 115 MB Fixed Disk	$	8,470
2.	115 MB Fixed Disk	$	2,720
3.	80386 Expansion Board w/2 MB RAM	$	1,280
4.	8503 Monochrome Display	$	195
5.	8 Imtech PC's	$	3,640
6.	Okidata Model 294 Printer w/Interface module & stand	$	1,400
7.	PTI Datashield Power Supply	$	855
8.	U.S. Robotics External Modem	$	244
9.	IBM PS/2 Model 30 PC	$	3,212
10.	IBM Monochrome Monitor	$	175
11.	IBM Color Monitor	$	479
12.	IBM Proprinter 24XL	$	1,594
13.	IBM Printer Cables	$	68
14.	IBM Printer Sheetfeed	$	189
15.	Intell PS8 Asun. Multi-Port	$	2,440
16.	Cabling & Connector	$	325
17.	Interconnect Cabling	$	295
18.	Parallel/Serial Harmonizer Interface	$	169
19.	IBM PC-KT Computer w/One Printer	$	5,003
20.	Compaq Deskpro Comptr w/Okidata Microline 192 printer	$	2,638
21.	Radio Shack Laptop Comptrs 96 & 1 IBM Graphic printer	$	2,516
22.	Texas Instruments Micro Processor Including Printer	$	1,000
23.	Okidata Microline 393 Printer #810B0037030	$	1,200

GENERAL LIABILITY

Limits:

Bodily Injury $ 200,000	Any one claimant arising out of one single accident or occurrence.
Property Damage $ 50,000	Any one claimant arising out of a single accident or occurrence.
Both $ 500,000	For any number of claims arising out of a single accident or occurrence.

Coverages:

- *Premises and Operations
- *Products
- *Independent Contractors
- *Broad Form Property Damage
- *Incidental Med Malpractice
- *Personal Injury
- *Oregon Tort Claims Act
- *Public Officials, Errors & Omissions
- *Contractual
- *Completed Operations
- *Employees as Add'l Insureds
- *Non-owned Watercraft
- *Host Liquor Liability
- *False Arrest, Assault & Battery

Deductible: $250 Per Occurrence for Property Damage

Policy Terms: In addition to the usual terms and conditions, the following provisions apply:

- *Volunteer workers - additional insureds
- *$100,000 coverage for legal liability to impounded properties. $100 deductible applies.

Sedgwick James

AUTOMOBILE SCHEDULE

NO.	YEAR	MAKE / MODEL	COMP. DED	COLL. DED
1	1990	Chev. Caprice #2755	$ 100	$ 500
2	1983	Chev. Impala #7106	$ 100	$ 500
3	1978	Chev. Celebrity #430	$ 100	$ 500 Gone
4	1971	Willys Jeep #0093	No Coverage	No Coverage
5	1970	Ford Dump Truck #1010	$ 100	$ 500
6	1978	Ford Van #5969	$ 100	$ 500
7	1981	Dodge 1/2 Ton PU #	$ 100	$ 500
8	1981	Dodge s/w #0794	$ 100	$ 500
9	1969	AMC Jeep $5851	No Coverage	No Coverage
10	1978	International Dump Truck #1072	$ 100	$ 500
11	1983	Ford 3/4 Ton P-up #9905	$ 100	$ 500
12	1972	AM General Step Van #2770	No Coverage	No Coverage
13	1986	GMC High (Cube Van) #TBD	$ 100	$ 500
14	1987	Chev. Caprice #9379	$ 100	$ 500
15	1978	GMC Van #3837	$ 100	$ 500
16	1969	Jeep #6386	No Coverage	No Coverage
17	1989	Chev Caprice #2726	$ 100	$ 500
18	1989	Chev Caprice #2670	$ 100	$ 500
19	1986	Chev Caprice #3353	$ 100	$ 500
20	1988	Chev Caprice #0194	$ 100	$ 500

UMBRELLA

Limits:	$ 1,000,000	Each occurrence.
	$ 1,000,000	Annual aggregate.
Coverages:	* General liability	
	* Automobile Liability	
Required Primary Policy Limits:	$ 200,000/500,000 50,000	General Liability
	$ 200,000/500,000 50,000	Automobile Liability
	$ 500,000	Employers Liability
Self-Insured Retention:	$ 10,000	Each occurrence(when coverage is not provided by primary policy.)
Premium Basis:	* Flat	
Policy Terms:	Subject to policy conditions, and exclusions as set forth in policy.	

BOILER & MACHINERY

Locations:		All Scheduled Locations
Limits:	$2,000,000	Direct damage to covered property, any one accident
Policy Form:		Comprehensive coverage excluding production machines and including public utility equipment. Extra Expense included in total limit.
Deductible:	$ 2,500	
Policy Terms:		Subject to conditions & exclusions as listed in the policy.

Sedgwick James

PREMIUM SUMMARY
1991-1992

PROPERTY	$ 2,153
INLAND MARINE	$ 1,774
GENERAL LIABILITY	$ 18,515
AUTOMOBILE	$ 11,121
UMBRELLA ($1 MILLION) INCL. $450 FEE	$ 9,408
BOILER AND MACHINERY	$ 2,643
PUBLIC EMPLOYEE BOND	$ 885
TOTAL ESTIMATED ANNUAL PREMIUM:	$ 46,499

OPTIONAL QUOTE

UMBRELLA ($2 MILLION)	$ 12,981

IMPORTANT

Higher limits of insurance are available.

The information presented herein is for quick reference only. The insurance policy forms the contract between the insured and the insurance company. The policy contains limits, exclusions and limitations which are not listed here. Please read your policy and let us know if you have any questions.

If there are any significant changes in your business which involve exposures not listed in your policy, please let us know of them.

CRIME

Limits:	$ 100,000 Per Loss
Coverages:	Loss of money, securities, and property resulting from Employee Dishonesty.
Deductible:	$ 1,000
Policy Terms:	In addition to the usual terms and conditions, the following provisions apply: * Blanket Form * Inventory Shortages excluded * Treasurer or Tax Collectors not included * Subject to usual conditions & exclusions as stated in policy.

AUTOMOBILE SCHEDULE CONT.

NO.	YEAR	MAKE / MODEL	COMP. DED	COLL. DED
21	1988	Chev Caprice #0765	$ 100	$ 500
22	1990	Chev Caprice #0765	$ 100	$ 500
23	1987	Homemade fltbd tandem trlr w/attached shed	$ 250	$ 250
24	1990	Plymouth Acclaim #9528	$ 100	$ 500
25	1990	Plymouth Acclaim #5986	$ 100	$ 500
26	1990	Plymouth Acclaim #8094	$ 100	$ 500
27	1990	Plymouth Acclaim #0892	$ 100	$ 500
28	1990	Dodge Van #26389	$ 100	$ 500
29	1991	Chev Caprice #22696	$ 100	$ 500
30	1991	Chev Caprice #22743	$ 100	$ 500
31	1986	Plymouth Horizon (no liability coverage)	$ 100	$ 500

AUTOMOBILE

Limits:	$ 200,000	Bodily Injury per person
	$ 500,000	Bodily Injury per accident
	$ 50,000	Property damage per accident
	$ 10,000	Personal Injury Protection
	$ 500,000	Uninsured & Underinsured motorists bodily injury
Deductible:	$ 250	Property damage liability
	Physical Damage - See Schedule	

Policy Terms: In addition to the usual terms and conditions, the following provisions apply:

* Coverage includes employers non-owned and hire auto liability

Autos Covered: Please see schedule.

ELECTRONIC DATA PROCESSING EQUIP. SCHEDULE, CONT.

24. Encore RDMS Software	$	4,200
25. (3) Datacap HW/256 RAM Mdl 500-0053-009	$	9,855
26. Demy 300 w/3 DAta Ports Batt Mdl 610-0001-005	$	1,645
27. Battery Charging Systm 604 w/3 Chargin ports #500052005		475
28. PS/2 Bisync Interface Kit Mdl 47000051-001	$	675
29. Various Software	$	7,937
30. Harris Computer & Monitor	$	2,000
31. Data Master Computer & Monitor	$	2,920
32. Laser Printer	$	914
33. Data Master Computer & Monitor	$	2,920

HARDWARE TOTAL:	$	61,491

COMPUTER EQUIPMENT

Limits:

$ 56,571	Computer Equipment
$ 12,137	Computer Software & Media

Perils Covered:	"All Risk" coverages subject to policy conditions and exclusions listed in policy.
Deductible:	$ 500 $2,500 Mechanical Breakdown $2,500 Electrical Disturbance
Policy Terms:	In addition to the terms and conditions, the following provisions apply: *Replacement Cost *100% Coinsurance
Equipment Covered:	See Schedule

CITY OF KEIZER

UPDATED CONTRACTORS EQUIPMENT SCHEDULE:

1990 Ford Backhoe #555C:	$ 32,000
1980 John Deere Backhoe #346274:	$ 34,500
1966 Ford Tractor Loader & Backhoe	$ 6,000
Hoist (attached to '83 Ford Pickup)	$ 1,600
1980 Tymco 600 Street Sweeper #N61VHG5939	$ 45,000

TOTAL ALL EQUIPMENT:	$119,100

UPDATED MISCELLANEOUS PROPERTY FLOATER SCHEDULE:

1.	Bearcat Thin Radio Scanner (5)	$ 700
2.	Water Department Portable Radios (4)	$ 3,200
3.	Water Department Mobile Radio (1)	$ 800
4.	Water Department Base Radio Unit (1)	$ 2,000
5.	Water Department Remote Radio Unit (1)	$ 1,000
6.	Water Department Converta Communication Radio (2)	$ 2,400
7.	Water Department Radio #U43HHT1130E (1)	$ 500
8.	Police Rechargable Flashlights (4)	$ 600
9.	Shotguns - 12 Gauge Pump Action (4)	$ 600
10.	Police Tape Recorders	$ 500
11.	10 Mobile Data Terminals ($4300 each)	$ 43,000
12.	4 Portable Mobile Data Terminals ($3600 each)	$ 14,000
13.	1 Charger	$ 800
14.	10 Mobile Radios ($2700 each)	$ 27,000
15.	10 Portable Radios ($2300 each)	$ 23,000
16.	1 Base Station	$ 4,000

CLAIMS HISTORY

INSURED: City of Keizer

ACCIDENT DATE	CLAIM NO.	TYPE	DRIVER'S NAME AND/OR CLAIM DESCRIPTION	AGE	RESERVE	PAID	EXP
10-1-88	PE01465 KEZ-039 000003	Per. Inj.	Clmt. Raymond E. Hill alleges malicious prosecution.		~~$3120.~~	CWP 1-31-89	
08-11-86	TOP31-30-827-00 KEZ-0389 901-004308 89	OBI	Clmt. Dee Van Tassell alleges that an auto accident occurred because of the design of the intersection.		~~1500.~~ ~~2000~~ -	CWP 4-19-89	$207.00 E
11-17-88	BA00427 040 KEZ-~~039~~ 00000	APD	Bryan W. Haslebacker, 78 GMC Van Backed into clmt's veh.		~~$1149.00~~	90.00 653.00 -500.00	
12-26-88	PE01465 KEZ-041 000004	OBI OBI OBI	Clmt. State Farm Insurance and Michael and Cheryl Genzel allege auto accident (hit pedestrians) on Chemewa Rd. road lighting, etc.			CWP 3-29-89	613. E. 139. E
03-01-89	PE01465 KEZ-042 000005	Per. Inj.	Clmt. Richard W. Parker alleges he was unlawfully removed from property		~~$3120~~	CWP 4-27-89	
05-01-89	PE01465 KEZ-043 000006	OPD	Clmt. John Windburg alled City moved his barkdust and damaged his plant.s		$395	CWP 6-2-89	
04-18-89	BA00427 KEZ-044 000003	APD	Appeared on computer list Insured rear-ended by OP		~~605.~~	CWP 07-07-89	
07-01-89	PE01630 KEZ-045 000003 G. Willard	OPD	Clmt. Edward & Nora Horner, foreclosure suit against Mark & Sandra Joeckel			CWP 12-28-89	

CLAIMS HISTORY

INSURED: City of Keizer

ACCIDENT DATE	CLAIM NO.	TYPE	DRIVER'S NAME AND/OR CLAIM DESCRIPTION	AGE	RESERVE	PAID	EXP
07-12-90	BA01277 KEZ-053 1 Scott May	APD	Officer Colklin, 88 Chev. Caprice backed up and Jim Honyak vehicle.			-$250. $392.	
01-12-90	PE01630 KEZ-054 8 Gretchen Willard	Per. Inj.	Clmts. Victor Aguilar, Dan Rivera and John Rivera, allege improper arrest.		$5,460. $5,460. $5,460.		
05-30-90	PE01630 KEZ-055 9 Scott May	OPD	Clmt. Michella Morgan alleges damage to auto from manhole on Fir Cone St. N.E.		~~$780.~~	CWP 08-08-90	
07-24-90	BA01277 KEZ-056 2 Hugh Killiam	Com.	1989 Chev. Caprice. Rock from passing car damaged w/s.			$30.	
09-23-89	PE01630 KEZ-057 11 Gretchen Willard	Per. Inj.	Clmt. Ernest Chapman alleges civil right violation, assault & battery, excessive force.		$7,800.		
06-23-90	PE01630 KEZ-058 10 Mindy Elkington	E&O	Clmt. Randle King alleges impropriety in Police Dept. in investigation of an auto accident.		~~$4,960.~~ ~~$5,460.~~	CWP 12-19-90	$500.
09-04-90	BA01277 KEZ-059 4 Steve Lincoln	Comp.	1989 Chev. Caprice. Rock chipped w/s			$30.	
09-05-90	BA01277-03 KEZ-060 3 Elaine Krob	APD	Mark J. Mirande, 1990 Chev. Caprice. Reared by Mike Hart (City Council Member)		~~$605.~~	CWP 11-16-90	

Sedgwick James

INLAND MARINE

Amount of Insurance:

$119,100	For scheduled contractors equipment
$146,089	For scheduled miscellaneous equipment

Perils Covered: "All Risk" coverage subject to policy conditions and exclusions listed in policy.

Deductible: In addition to the usual terms and conditions, the following provisions apply:

*Subject to locked vehicle warranty
*80% coinsurance
*Actual Cash Value

Equipment Covered: See Schedule

TO BE COMPLETED BY COMPANY, AGENT OR BROKER

CITY OF KEIZER 1991/92

Item No.	Description, Location and Occupancy of Property Covered	Coverage *	Values	Rate Pub. No.	Rate
1:1	930 Chemawa Rd. N. Keizer, OR	B	5,519,000		
	Administration & Council Chambers	PPI	419,000		
1:2	Police Dept. & Auditorium	B	511,900		
		PPI	59,300		
2:1	641 Chemawa Rd. N.	B	177,200		
	Water Dept. and Storage	PPI	117,400		
3:1	4220 Toni Ave.	B	13,500		
	Pump Station	PPI	12,600		
4:1	3850 5th Ave. N.	B	15,000		
	Pump Station	PPI	12,600		
5:1	4335 Shoreline Rd. NE	B	15,000		
	Pump Station	PPI	12,600		
6:1	900 Brandon	B	21,100		
	Pump Station	PPI	25,400		
7:1	770 Brandon	B	21,100		
	Pump Station	PPI	6,900		
8:1	997 Delta Drive NE	B	17,000		
	Pump Station	PPI	37,900		
9:1	2009 Wiessner Dr.	B	28,400		
	Pump Station	PPI	63,100		
10:1	4100 Block of Cherry Ave. NE	B	40,900		
	Pump Station	PPI	50,500		
11:1	600 Block of Olson St. NE	B	40,900		
	Pump Station	PPI	50,500		
		TOTALS			

AVERAGE RATES EFFECTIVE

* B=Building S=Stock PPI=Personal Property of the Insured PPO=Personal Property of Others Other — Specify Above

CF 16 15 (Ed. 01 83)

- * Ordinance - Sewer Systems Development Charge
- * Award of Bid - City Hall Restroom Remodel
- * Award of Bid - 1991-92 Street Resurfacing Program
- * Authorization to Use Property Removed from Public Auction

13. <u>ADJOURN</u>

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City of Keizer

Administration
930 Chemawa Rd. N.E. • P.O. Box 21000
Keizer, Oregon 97307-1000 • (503) 390-3700

COUNCIL MEETING: JUNE 28, 1991

AGENDA ITEM NO.: 8

TO: MAYOR AND CITY COUNCIL

FROM: DONALD H. OTTERMAN M.S.PA, CITY MANAGER DHO

SUBJECT: PROPOSALS FOR WORKMANS COMPENSATION INSURANCE COVERAGE

DISCUSSION

The city's insurance Agent of Record, Joe Phillippay, has received proposals for workmans compensation insurance coverage for the City of Keizer from City & County Insurance Services and from the SAIF Corporation. Both proposals for coverage are attached to this agenda item. The proposals from the two insurance companies are within $900 of each other as far as annual premiums are concerned. However, there is some benefit in the SAIF Corporation proposal that is different from the CCIS insurance proposal. The proposal from CCIS is to provide workmans compensation insurance coverage to the city for a total premium of $56,035. There is a deferred premium discount, as well as what is called a less aggregate deductible to bring the net premium down to $37,112. The $37,112 will purchase workmans compensation insurance coverage with basically a deductible of $15,000. In other words, the city would be responsible to pay to CCIS any claims up to the first $15,000 separate from the premium that the city has paid. After there has been more than $15,000 in losses, the insurance pool would pay the remainder of those losses. In effect, if the city had a bad year, as far as workmans compensation insurance claims are concerned, the city would be responsible for payment of the net premium of $37,112 and the aggregate deductible of $15,000. In addition, if the city has a very bad year in losses, the deferred premium discount would also have to be paid to CCIS. In effect, the city would be liable for a maximum of $56,035.

The city's loss record, in the past two years, has been very good. If the loss record continues at its current rate, it is anticipated that the city would have losses of less than $5,000 and could, in effect, pay a premium of somewhere around $42,000, including the deductible to CCIS.

The SAIF Corporation proposal is different in that it combines cities together into a group and the amount of premium charged each member of the group is based upon, not only the city's loss record, but also the group's loss record. In effect, if the group had a very bad year in losses, the city could have to pay the entire premium of $56,951. If, however, the group's loss record was not excessive and the city's loss record remains constant, the city's premium could actually be somewhere between $19,000 and $27,000. That will not be known until the end of the next fiscal year and the final loss ratios are determined.

Since the SAIF program is a new program this year, the member cities of the group have not yet been determined. In discussing the proposal with Joe Phillippay, it is my feeling that the likelihood of the city being responsible for the total $56,000 premium with the SAIF program is not as great as the city being responsible for the total premium with the CCIS program.

The question is whether or not the group loss record, under the SAIF program, would be in an area that would cause the city to pay additional premium, even though the city's loss record is not the only contributing factor.

Since the ultimate exposure for the City of Keizer, under each of the plans, is only a difference of $900, and since the probability of the city having a good loss record for the next year is good, I would recommend that the City Council approve the proposal from the SAIF Corporation to provide workmans compensation insurance coverage. Joe Phillippay will be at the Council meeting to answer any questions that you may have.

RECOMMENDATION

It is recommended that the City Council APPROVE the proposal from the SAIF Corporation, to provide workers compensation insurance coverage for the City of Keizer for fiscal year 1991-92.

DHO:clm
Attachments:

City & County Insurance Proposal
SAIF Corporation Insurance Proposal

f:\admin\workers.adg

City County Insurance Services
1212 Court Street NE, Suite 302 P.O. Box 3020 Salem, OR 97302
(503) 585-1121 1-800-922-2684
FAX 585-1140

RECEIVED
JUN 14 1991
SEDGWICK-SALEM

June 12, 1991

TO: Workers' Compensation Participants

FROM: Lee Briney, Administrative Assistant

SUBJECT: Revised Workers' Compensation Invoices

Enclosed is a revised workers' compensation invoice for coverage year 1991-92. We inadvertently omitted the deductible and deferred premium on your invoice. Please disregard the previous billing, this invoice is a replacement.

Our apologies for any inconvenience this error may have caused.

If you have any questions, please don't hesitate to call.

Enclosure

7

PREMIUM CALCULATION AND BILLING SCHEDULE
CITY/COUNTY WORK COMP GROUP

ACCOUNT #: 0377

NAME:
CITY OF KEIZER
PO BOX 21000
4823 RIVER ROAD NORTH
KEIZER, OR 97303

ESTIMATED BILLING
CONTRACT PERIOD: 07/01/91 TO 07/01/92

WORK CODE	CLASSIFICATION		ANNUAL PAYROLL	RATE		PREMIUM
7520	WATERWORKS OPERATIONS & DRIVERS	$	161,528.00	4.08	$	6,590
7720	POLICE OFFICERS & DRIVERS	$	693,455.00	6.21	$	43,064
8411	VOLUNTARY MUNICIPAL PERSONNEL	$	3,000.00	0.99	$	30
8810	CLERICAL OFFICE EMPLOYEES NOC	$	205,636.00	0.55	$	1,131
8820	ATTORNEY-ALL EMPLOYEES & CLERICAL	$	16,827.00	0.57	$	96
9015	BUILDINGS NOC-OPERATION BY OWN/LESS	$	11,154.00	7.65	$	853
9402	STREET CLEANING & DRIVERS	$	7,030.00	9.16	$	644
9410	MUNICIPAL EMPLOYEES NOC	$	139,095.00	3.43	$	4,771

MANUAL PREMIUM:		PRORATED PREMIUM:		PRORATE
$ 57,179		$ 57,179		1.000

THIS IS NOT AN INVOICE
PLEASE PAY PROMPTLY WHEN INVOICED

DUE DATE	BILLING AMOUNT
07/01/91	$ 56,035.00
TOTAL	$ 56,035.00

TOTAL PRORATED PREMIUM:	$	57,179
EXPERIENCE MOD:		0.98
MODIFIED PREMIUM:	$	56,035
NET PREMIUM:	$	56,035
NUMBER OF PAYMENTS:		1
less defered prem -7%		(3,922)
less deductible		(15,000)
		$37,113

saif CORPORATION

WORKERS' COMPENSATION INSURANCE PROPOSAL

FOR

City of Keizer

Marilyn VanVleit, CPCU
Salem Branch Manager
503-373-8366

What the experts say about SAIF Corporation:

On May 14, 1991, the Audit Division of the Oregon Secretary of State's Office said in its annual financial audit of SAIF Corporation that:

> "Starting in early 1989, SAIF made many changes in its claims management. Claims handling was centralized and organized into specialized units, a fraud investigation program was instituted, a formal review of medical billings was established, and an early return to work program was begun. These positive changes are a major factor in SAIF's improved operating results since early 1989."

On February 21, 1991, James R. Berquist, a consulting actuary with Milliman & Robertson, said in an actuarial opinion regarding SAIF Corporation's reserves that:

> "I believe that (SAIF's) reserves meet the requirements of the insurance laws of the State of Oregon. I believe that the ... reserves make good and sufficient provision, in the aggregate, for all unpaid loss and loss adjustments expense obligations of (SAIF) under the terms of its policies as of December 31, 1991."

On March 8, 1991, James Cerone a claims consultant with Milliman & Robertson, Inc., consulting actuaries, said in review of SAIF Corporation's claims operation that:

> "The performance of SAIF's claims department has shown steady and consistent improvement since our initial review in May of 1989. The challenge is to maintain the current high level of performance. Based on the work performance and on my experience and observations of other insurers, **SAIF's claims department is the best I have seen."**

On March 26, 1991, the National Association of Insurance Commissioners issued its report on the financial ratios of SAIF Corporation. In 1990, SAIF was found to have no deficiencies and passed all 11 of the NAIC's financial tests. The passage of these 11 tests strongly demonstrates the stability and financial soundness of SAIF Corporation.

prepared by Public Affairs Division May 1991

City of Keizer

Premium Estimate for Group Safety Incentive Plan

Period: July 01, 1991 thru June 30, 1992 Firm Number: 436890

Class	Description	Payroll	Rate	Premium
7520	Waterworks Operation-Driver	$161,528	$4.46	$7,204
7720	Police Officers & Drivers	$693,455	$6.80	$47,155
8411	Vol Plcmn @4200/Qtr Ea	$3,000	$1.08	$32
8742	Field Representatives	(If Any)	$0.92	$0
8810	Office Clerical	$205,636	$0.60	$1,234
9402	Street Cleaning & Drivers	$7,030	$10.03	$705
8820	Attorney & Clerical	$16,820	$0.62	$104
9015	Building Maintenance	$11,154	$8.37	$934
9410	City Inspectors	$139,095	$3.75	$5,216

Manual Premium	$62,584
Experience Modification Factor	.91
Standard Premium	$56,951
Less: Guaranteed Premium Discount	$7,293
Adjusted Premium	$49,658
Less Group Discount at 10%	$4,965
Net Premium	$44,693
Plus DIF Assessment at 4.5%	$2,011
Net Premium with DIF Assessment	$46,704

Group Name

OPEG

Discount Schedule

$0 -	$5,000	0.0%
$5,001 -	$10,000	10.0%
$10,001 -	$20,000	12.5%
$20,001 -	$100,000	15.0%
Over	$100,000	20.0%

Department of Insurance and Finance (DIF) premium and workday assessments are in addition to net premium. 02AD

City of Keizer

Oregon Public Employers Group

Group Retrospective Rating Plan

Estimated Group Premium	$3,000,000
Maximum Premium Factor	1.00
Basic Premium Factor	.176
Loss Conversion Factor	1.20
Individual Standard Premium	$56,951

Incurred Losses	Individual Retrospective Premium*
$6,000	$19,598
$12,000	$27,806
$18,000	$36,014
$24,000	$44,222
$30,000	$52,430
$36,000	$56,951

Retrospective Formula**

Standard		Basic Premium		Incurred		Loss Conv.	
(Premium	x	Factor)	+	(Losses	x	Factor)	x TM

PLUS

				Standard				Incurred	
.12	x	(.20	x	Premium)	+	(1.40	x	Losses)	x TM

- Automatic plan closure at 9 months after policy expiration. Closing costs are included in retro premium.
- Per accident loss limitation of $250,000.
- This illustration reflects factors and premium based on estimated group size and loss results.

*Individual retrospective premium may be higher if individual members exceed their maximum premium.

***Retrospective elements and definitions are explained with the individual retrospective plans.*

The Oregon Public Employers Group

Q: Why is SAIF Corporation and Corroon & Black of Eugene offering this group plan to public entities?

A: The passage of Ballot Measure 5 is having and will continue to have a financial impact on many of Oregon's public entities. SAIF Corporation and Corroon & Black believe that a group plan which offers cities, counties, school districts, community colleges, and special districts a variety of cost-saving features will assist public employers in coping with the affects of the property tax limitation measure by reducing the cost of workers' compensation coverage.

Q: What are the group's cost-saving features?

A: A flexible array of programs is available regardless of premium size. Two separate group plans are being offered, each with an opportunity to benefit from special cost-saving features, including a Group Retro Plan and a Safety Incentive Plan. Individual retros and cash-flow plans are also available for qualifying accounts.

Q: How does the Group Retro Plan Work?

A: This plan consolidates the premium and losses of many small- and medium-size entities so they can benefit from potential net-cost advantages of a large retrospectively rated plan. Premiums returned are allocated based on the plan's unique loss-sensitive formula which rewards those who control their losses.

Q: How does the Safety Incentive Plan work?

A: This plan provides an opportunity for entities to earn a supplemental premium discount which is in addition to their regular policy discount. At policy inception, members are provided the supplemental discount rate for their entire policy year. SAIF automatically calculates the supplemental discount approximately 45 days following the policy year and refunds the balance to members. Members retain their own experience rating, and any rate advantages they may have earned as an individual.

Q: How do the individual retros and cash-flow plans work?

A: These plans are available to larger entities and provide a potential premium return based on the individual account's experience.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91- _____

RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED by the City Council of the City of Keizer that the City Council hereby adopts the budget approved by the Budget Committee with necessary adjustments as permitted in accordance with ORS 294.435 for 1991-92 in the total sum of $________________, now on file at City Hall.

PASSED this _____ day of ____________________, 1991.

SIGNED this _____ day of ____________________, 1991.

____
Mayor

____
City Recorder

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91- _____

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED by the City Council of the City of Keizer that the amounts for the fiscal year beginning July 1, 1991, and for the purposes shown below, are hereby appropriated as follows:

GENERAL FUND

Personal Services		
Administration	$ ~~140,645~~ 179,899	
Police	1,189,177	
Municipal Court	24,448	
Parks	8,552	
Planning	27,257	
Employee Compensation Adjustments	15,000	1,444,533
Total Personal Services		~~$1,405,079~~
Materials and Services		
Administration	$ 127,619	
City Council	642	
Municipal Court	53,601	
Parks	34,503	
Planning	43,493	
Police	~~409,427~~ 400,427	
Total Materials and Services		~~669,285~~ 660,295
Capital Outlay		
Administration	$ 3,000	
Municipal Court	4,000	
Police	81,059	
Total Capital Outlay		88,059
Operating Contingency		50,000
Transfer to Water Fund		8,170
Unappropriated Ending Fund Balance		99,746 ~~100,000~~

9-1-1 EMERGENCY COMMUNICATIONS FUND

Disbursements	$ 85,921	
Unappropriated Ending Fund Balance	153,841	
TOTAL 9-1-1 EMERGENCY COMMUNICATIONS FUND APPROPRIATIONS		$ 239,762

WATER FUND

Personal Services	$ 357,381	
Materials & Services	601,567	
Capital Outlay	141,000	
Transfer to Facility Replacement Reserve	100,000	
Operating Contingency	50,000	
Bonded Debt Payment	315,779	
Unappropriated Ending Fund Balance	421,757	
TOTAL WATER FUND APPROPRIATIONS		$1,987,484

WATER FACILITY REPLACEMENT RESERVE FUND

Reserved for Future Expenditure	$ 380,662	
New Well Production	185,000	
WATER FACILITY REPLACEMENT RESERVE FUND APPROPRIATIONS		$ 565,662

OLSON ROAD IMPROVEMENT RESERVE FUND

Reserved for Future Expenditure	$ 374,500

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R91- _____

RESOLUTION TRANSFERRING APPROPRIATIONS

WHEREAS, the City Council of the City of Keizer has determined that it is necessary to transfer appropriations in a total amount of $38,576 over the amounts originally estimated for the fiscal year beginning July 1, 1990, as follows:

1. GENERAL (Fund)
   PERSONAL SERVICES (Category)

Municipal Court	$ 832

2. GENERAL (Fund)
   MATERIALS & SERVICES (Category)

Administration	$ 20,000
Municipal Court	6,822
Police	2,400
Parks	800
Planning	2,800

3. UTILITY (Fund)

MATERIALS & SERVICES (Category)	$ 4,922

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Keizer that appropriations in the total amount of $38,576 are hereby transferred within the General Fund and the Utility Fund of the City of Keizer as follows:

<u>FROM</u>	<u>TO</u>	
GENERAL (Fund)	GENERAL (Fund)	
CONTINGENCY (Category)	PERSONAL SERVICES (Category)	
$31,254	Municipal Court	$ 832

/////

/////

CAPITAL OUTLAY (Category)		MATERIALS & SERVICES (Category)	
	2,400	Administration	$20,000
		Municipal Court	6,822
		Police	2,400
		Parks	800
		Planning	2,800

<u>FROM</u>	<u>TO</u>
UTILITY (Fund)	UTILITY (Fund)
CONTINGENCY (Category)	MATERIALS & SERVICES (Category)
$ 4,922	$ 4,922

PASSED this _____ day of ________________, 1991.

SIGNED this _____ day of ________________, 1991.

____
Mayor

____
City Recorder

TOTAL OLSON ROAD IMPROVEMENT RESERVE FUND APPROPRIATIONS	$ 374,500
TOTAL APPROPRIATIONS.	**$11,192,587**

PASSED this _____ day of _________________, 1991.

SIGNED this _____ day of _________________, 1991.

____
Mayor

____
City Recorder

2,350,593

TOTAL GENERAL FUND APPROPRIATIONS $2,320,593

REVENUE SHARING FUND

Capital Outlay	$ 115,000
Unappropriated Ending Fund Balance	54,920

TOTAL REVENUE SHARING FUND APPROPRIATIONS . . $ 169,920

STREET FUND

Personal Services	$ 73,174
Materials & Services	489,993
Bonded Debt Payment	41,991
Capital Outlay	487,100
Olson Road Phase II	15,000
Unappropriated Ending Fund Balance	2,455,432

TOTAL STREET FUND APPROPRIATIONS. $3,562,690

UTILITY FUND

Personal Services	$ 42,724
Materials & Services	1,606,912
Bonded Debt Payment	256,721
Operating Contingency	50,000
Unappropriated Ending Fund Balance	15,619

TOTAL UTILITY FUND APPROPRIATIONS $1,971,976

Q: Who qualifies for the group retro plan?

A: The advantages of a group retro plan will be available to those public employers who enroll in the group and have experienced the most success in reducing job-related injuries and diseases.

Q: Will volunteers be covered under this group plan?

A: Yes.

Q: Are there group services available?

A: Yes. Specialists from Corroon & Black and from SAIF Corporation will provide assistance and training to group members to help further reduce costs. Effective claims management, fraud investigation, medical bill auditing, and early return-to-work can have a significant effect in reducing workers' compensation costs.

Q: How does this program differ from other workers' compensation coverage for public entities?

A: The Oregon Public Employers Group offers members greater flexibility in selecting the workers' compensation plan that best suits their needs. In addition to competitive rates, group members have access to all of SAIF Corporation's cost-saving programs, including fraud investigation, claims management, medical bill audits, legal representation, early return-to-work specialists, and loss-control services.

Q: Does SAIF Corporation and Corroon & Black have expertise in insuring public entities?

A: Corroon & Black, which has 100 agents throughout Oregon, represents 75 percent of Oregon's school districts in obtaining property and casualty insurance. SAIF Corporation, which also has an extensive network of agents, is the largest and most experienced workers' compensation insurance company in Oregon and insures more public entities than any of its competitors. Together, Corroon & Black and SAIF offer public employers the expertise needed to select the right workers' compensation plan and the ability to provide the services necessary to reduce workers' compensation costs.

Q: When will insurance through this group be available?

A: The effective date is July 1, 1991.

Q: Who should I contact with questions?

A: Questions should be referred to Corroon & Black of Eugene 687-2222, their local agents, or the local SAIF Corporation office.

SAIF CORPORATION
Prepared by Public Affairs Division April 1991

SAIF CORPORATION

Oregon Public Employers Group
Group Retrospective Rating Plan

This retrospective rating plan has been designed to offer the advantages of group insurance purchasing to achieve significant savings. While all retrospective plans involve risk, this plan has been carefully designed to offer the benefits of retrospective rating while minimizing risk. The plan works by consolidating the premiums and losses of group members so they can benefit from the savings of low loss levels both individually and as a group.

■ Eligibility-

- All qualifying Oregon Public entities, including cities, counties school districts and special districts.

■ Advantages-

- Maximum premium at risk is 100% of standard premium.
- Automatic plan closure nine months after policy expiration.
- The plan is protected by a $250,000 per accident loss limitation.
- Individual employers will retain their own experience rating modification factor.
- Various payment options are available
- SAIF Corporation's nationally recognized cost saving services are available, including:
  - Specialized Claims Management
  - Fraud Investigation
  - Audit review of all medical bills
  - Legal representation
  - Early Return-to-Work consulting
  - Loss Control Consulting
  - Group loss control coordinator
  - Industrial Hygiene Services
- SAIF will offer seminars in each region of the state to help bring innovative solutions to risk management issues.

■ Risks include:

- Premium at risk is the difference between guaranteed discounts and standard premium.
- Poor experience of other group members may reduce your retro return.

■ SAIF has taken steps to minimize risk by establishing stringent underwriting criteria to carefully select only those employers who:

- Demonstrate the ability to keep workers compensation costs low.
- Are committed to providing a safe workplace
- Have established safety programs

■ Retrospective plans offer the greatest cost saving potential. This savings potential is increased by group buying economies. We minimize your risk through tough eligibility standards and provide expertise in loss control and claims management . These elements, in conjunction with the efforts of every individual group member, will make this the most cost effective alternative for Oregon's public employers.

Safety Incentive Group Plan

Supplemental discount

SAIF Corporation's Safety Incentive Group Plan gives you an opportunity to further reduce your workers' compensation costs by earning a supplemental premium discount which is in addition to your regular policy discount. The additional discount rewards firms with good loss records.

Plan features

- The supplemental discount starts to accrue at the beginning of the policy renewal date after joining the group plan.
- The discount applies to your entire paid premium.
- SAIF automatically calculates and refunds your supplemental discount approximately forty-five days following your policy year.
- Your policy renewal date remains unchanged.
- Participating in this plan does not change your firm's individual experience rating.
- Any rate advantages earned by your firm are retained.

To qualify for the Safety Incentive Plan you must:

- Belong to an organization which has a Safety Incentive Plan Agreement with SAIF.
- Be insured with SAIF on a standard insurance plan.
- Demonstrate a commitment to a safe workplace.
- Have an established history of low losses.
- Submit a Safety Incentive Plan Enrollment form to SAIF.

Group performance:

The group's eligibility for a supplemental discount is reviewed annually and is based on the premium and loss history of all group members over a three-year period. The group discount percentage is subject to change each July 1. Individual policy supplemental discount percentages remain unchanged throughout the policy year.

SAIF Corporation: Innovative Solutions

SAIF Corporation is a publicly owned, non-profit insurance company specializing in workers' compensation insurance. SAIF leads the industry by delivering innovative solutions to the workers' compensation challenge.

Results oriented risk management

Effective claims management

- Experienced and trained claims adjusters provide support
- Specialists in: compensability, disabling claims, medical management and critical claims

Medical audit review system

- Audit all medical, hospital and pharmacy bills for accuracy
- Eliminate over billing, unnecessary and inappropriate treatment

Fighting insurance fraud

- Experienced investigators
- Statewide presence
- Zero tolerance
- Ready access and follow-up

Return to work

- Specialists work for you
- Stay on top of claims
- Statewide presence

Loss control management of workplace safety

- Tailor safety programs
- Monitor and evaluate results
- Industrial hygiene specialists
- Provide training assistance

Legal Representation

- Oregon's largest workers' compensation law staff
- Experienced and trained legal staff provide support
- A proven track record

Employer Advocacy

- Major player in workers' compensation reform
- Continually monitor workers' compensation issues

City County Insurance Services

1212 Court Street NE, Suite 302 P.O. Box 3020 Salem, OR 97302
(503) 585-1121 1-800-922-2684
FAX 585-1140

INVOICE

ENTITY KEIZER
INVOICE NO. KZR-9101W - REVISED
DATE 06/12/91

WORKERS' COMPENSATION

Coverage Period 07/01/91 to 06/30/92

Premium	$56,035.42
Less Deferred Premium Discount @ 7%	(3,922.48)
Less Aggregate Deductible	(15,000.00)
Net Premium	37,112.94
W.C.D. Assessment @ 4.2% of Premium	2,353.49
Payroll Tax @ $0.28 per employee per day Estimated No. of employees: 41.0 F.T.E.	2,755.20
TOTAL	$42,221.63

PAYMENT SCHEDULE - DUE:	07/30/91	$42,221.63
OPTIONAL QUARTERLY PAYMENT SCHEDULE - DUE:	07/30/91	$10,555.41
	10/01/91	10,555.41
	01/01/92	10,555.41
	04/01/92	10,555.41

PLEASE REMIT TO: CIS; P.O. BOX 3020; SALEM, OR 97302

ALL PREMIUMS, ASSESSMENTS AND TAXES ARE BASED ON CURRENT ESTIMATED PAYROLL AND ARE SUBJECT TO YEAR-END AUDIT.
PAID LOSSES WILL BE BE INVOICED QUARTERLY UNTIL THE DEDUCTIBLE IS REACHED.
DEFERRED PREMIUM IS PAYABLE IF YOUR LOSS RATIO EXCEEDS SIXTY PERCENT.

FOR INFORMATION ONLY - Local Agent Commission: $1,531.06